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FBIS-EEU-95-125 *29 June 1995*

CONTENTS

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INTERNATIONAL AFFAIRS

EU Summit Enlarges Bildt's Mandate for Bosnia *[TANJUG]* 1

BULGARIA

Yurukov Denies TANJUG Report on Yugo Embargo *[Sofia Radio]* 2
Videnov Criticizes Energy Industry on TV *[DUMA 26 Jun]* 2

CZECH REPUBLIC

General Discusses NATO Enlargement Issues *[TYDEN 19 Jun]* 3
Privatization Decision Made on SPT Telecom *[Prague Radio]* 5

SLOVAKIA

Government Memorandum on EU Application Reviewed *[NARODNA OBRODA 26 Jun]* 6
Meciar Comments on Missed Meeting at Cannes *[Bratislava TV]* 6
Ministry Issues Study on Size of Minorities *[PRAVDA 27 Jun]* 7
Officials Inform Hungarian Deputies of Ethnic Policy *[PRAVDA 27 Jun]* 7
Press: Meciar Does About-Face Toward Opposition *[Editorial Report]* 7
Altered Mechanism of 2d Privatization Wave *[PRAVDA 24 Jun]* 8
SDL Criticizes New Privatization Program *[Bratislava Radio]* 9
SLS Reelects Frantisek Kalesny as Chairman *[SLOVENSKA REPUBLIKA 26 Jun]* 10
New Head of Secret Service Supervisory Body *[PRAVDA 27 Jun]* 10

HUNGARY

Report on Fuel, Stolen Cars Smuggled Into FRY *[MAGYAR HIRLAP 28 Jun]* 12
Security Minister Views Illicit Surveillance *[NEPSZAVA 28 Jun]* 12
Dunai Discusses Economic Revival Philosophy *[Budapest Radio]* 15

BOSNIA-HERZEGOVINA

ICRC: Serbs Flee Fighting in Serb Territory *[AFP]* 16
FRG's Steiner: Contact Group Plan Unchanged *[Sarajevo Radio]* 16
Iranian Ambassador Stresses Support for Muslims *[Tehran IRNA]* 16
Silajdzic Renews Call To End Arms Embargo *[AFP]* 16
Welcomes French Initiatives *[Sarajevo Radio]* 17
Sacirbegovic Threatens To Expel UN Forces *[TANJUG]* 17
SDP Favors Continued UNPROFOR Presence *[Sarajevo Radio]* 17
Karadzic Rejects Cease-Fire, Warns Germany *[AFP]* 18
Karadzic: Force Muslims To Accept Solution *[SRNA]* 18
Mladic Addresses Troops on St. Vitus Day *[SRNA]* 19
Blasts German RRF Involvement *[Vienna Radio]* 21
Ninkovic Says Serbs Militarily Invincible *[SRNA]* 22
Herzeg-Bosnia Assembly Calls For RRF Delay *[AFP]* 22
Approves Official Appointments *[Zagreb Radio]* 22
TANJUG Views Bosnian Croat Activities *[TANJUG]* 23

CROATIA

UN: Resumption of Zagreb-Knin Talks Unlikely *[AFP]* 24
Letter Details FRY Involvement in Krajina *[Zagreb Radio]* 24
RSK President Addresses St. Vitus Day Parade *[SRNA]* 24
Announces Paris Office *[Sarajevo Radio]* 25
New 'Krajina' Missile Displayed in Parade *[Belgrade Radio]* 25
Serbs Claim Zagreb Forcefully Mobilizing Serbs *[TANJUG]* 26

POLAND

Walesa on Coming Election, Presidency *[NOWA EUROPA 23 Jun]* 27
UW Criticizes Anti-Kwasniewski Movement *[GAZETA WYBORCZA 28 Jun]* 30
Germans Promise Explanation of Border Incident *[PAP]* 30
Sejm Passes Law on Defense Ministry Hierarchy *[Warsaw Radio]* 30
Draft Law on Compensation, Investment Funds *[RZECZPOSPOLITA 28 Jun]* 31

ROMANIA

UDMR's Tokay Prefers 'Territorial Autonomy' *[VOCEA ROMANIEI 21 Jun]* 32

SLOVENIA

Thaler: Vienna Supports 'European Ambitions' *[Ljubljana Radio]* 33
Fotona Production Plans, Technologies Viewed *[GOSPODARSKI VESTNIK 18 May]* 33

YUGOSLAVIA

Federal

Official: UN To Determine RRF Mandate *[TANJUG]* 35
French Envoy Urges Recognition of Bosnia *[TANJUG]* 35
Jovic Views Bosnia Recognition, Republic Ties *[INTERVJU 23 Jun]* 35

Serbia

Djindjic Warns About German Mission in Bosnia *[Cologne Radio]* 40
Percevic Applauds Talks With Kosovar Albanians *[Belgrade Radio]* 42
Stanisic Said To Become Deputy Prime Minister *[TELEGRAF 28 Jun]* 42
Border Guards: Pirates Operating Along Danube *[ROMANIA LIBERA 23 Jun]* 42
Krusik Initiates Production of New Weapons *[POBJEDA 23 Jun]* 42

Kosovo

Serbian Speaker Calls For End to Fighting *[TANJUG]* 43

EU Summit Enlarges Bildt's Mandate for Bosnia

LD2806192895 Belgrade TANJUG in English 1710 GMT 28 Jun 95

[By Dragan Milosavljevic]

[FBIS Transcribed Text] Geneva, June 28 (TANJUG)—New co-chairman of the International Conference on the Former Yugoslavia [ICFY] has been authorized to return the Bosnian Serbs into the negotiating process and offer them some concessions regarding the international 'Contact Group' plan, ICFY circles said in Geneva.

The circles said that Bildt, former Swedish conservative premier, had been given such an authorization at the European Union summit in Cannes on Monday and Tuesday, at the initiative of French President Jacques Chirac.

Bildt will on Thursday arrive in the seat of the conference in Geneva, whence he should leave on a negotiating mission aimed at bringing all three sides in the 38-month Bosnian war to the negotiating table, the circles said.

During a recent visit to Geneva, when he took over from his predecessor David Owen, Bildt said he was not an expert on the Balkans but that he would try in his contacts to get a detailed insight into all aspects of the crisis that had led to the military conflicts.

He also stressed the need for continuing the negotiating process.

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Yurukov Denies TANJUG Report on Yugo Embargo

AU2806172395 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 28 Jun 95

[FBIS Translated Text] On 28 June, Georgi Yurukov, charge d'affaires at the Bulgarian Embassy in Belgrade, denied in an interview for Radio Free Europe a report by the official Yugoslav news agency TANJUG that there is a new Bulgarian initiative on lifting the Yugo embargo.

Mr. Yurukov described such reports as incredible and speculative and said that the only possibility that Bulgaria has is to insist again through diplomatic channels at the UN on receiving compensation for the losses that our country suffers as a result of the Yugo embargo.

Videnov Criticizes Energy Industry on TV

AU2806123295 Sofia DUMA in Bulgarian 26 Jun 95 p 1

["DUMA PRESS staff report": "Zhan Videnov Roundly Criticizes Energy Industry"]

[FBIS Translated Text] The state of the energy industry is developing into a grave national problem, Prime Minister Videnov warned on the Panorama Program on National Television on 24 June. He was adamant that the guilt of the former chairman of the Committee on Power Supply should not be glossed over. Videnov said that, a few months ago, the committee members literally had to hide away from the public discontent when the government was compelled, within the course of a few days, to make sharp increases in electricity prices to save the energy industry from immediate collapse. According to him, the energy industry has not fulfilled even one of the conditions of the credit agreements with the World Bank that parliament approved two years ago, as a result of which Bulgaria's relations in general with the international financial institutions are now under threat.

The government expects much more from the energy industry than its ceaseless harping about new credits, new price increases, and electricity cuts, the prime minister said, and these are savings, energy efficiency, good management, and really tackling the horrendous corruption. The prime minister stated firmly that severe measures should be applied only if they prove necessary, only if Bulgaria's energy security is at stake, and not out of private interests.

Zhan Videnov further stated that the personalization, politicization, and scandalmongering of the issue of the Bulgarian-Russian gas company can only harm the national interest. In the prime minister's view, all violations, blunders, and arbitrary acts committed by the former leadership of the Committee on Power Supply—chiefly when forming the company's Supervisory Board and Board of Directors—can be put right very soon during the general meeting of the company's shareholders to be held on 2 July in Moscow.

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General Discusses NATO Enlargement Issues

AU2806172695 Prague TYDEN in Czech 19 Jun 95 No 25, pp 32-35

[Interview with General Karel Pezl by Josef Vesely and Milan Slezak; place and date not given: "'It Does Not Matter Who Gets Into NATO First'"]

[FBIS Translated Text] "The speech by President Havel at NATO Headquarters in Mons recently was sui generis bold and slightly provocative—and that was good," Army General Karel Pezl, who deals with military issues in the President's Office, told TYDEN. "The president's speech, which also called for a change in NATO's way of thinking, was received there with interest."

[TYDEN] Could you summarize its main ideas?

[Pezl] First, NATO must define itself anew under the new conditions. Second, there has to be a strategic partnership with Russia, but it is hard to imagine Russia as a NATO member. And, third, a request that the alliance focus not only on the territory of its own member states but also, within the framework of maintaining security and in forestalling crises, on regions of possible instability. In other words, its objective should not be the defense of imperial interests (as, for instance, in the Russian doctrine on "adjacent foreign countries") but the defense of democratic values. There is, I think, a substantial difference here.

[TYDEN] Bill Clinton and Boris Yeltsin met in Moscow not long after the president's speech in Mons. They talked about strategic partnership. Does this mean that we timed our initiative well?

[Pezl] Yes, I think it does. According to my information, the Russian side has taken a realistic stance on the president's speech. After all, it must be clear to Moscow that Central Europe is gravitating naturally toward NATO. When the individual Central European states get there depends not only on their readiness but also on when they are invited. If, however, the first one is, for instance, Poland, it will not mean that the others are excluded from this process, that they may be less trustworthy.

[TYDEN] There were rumors from British Government sources some time ago that the favorite for admission into NATO is, apparently, not Poland or Hungary but the Czech Republic.

[Pezl] It does not matter who gets in first—the president also said this in Mons. It matters that the second and third do not find their way blocked. As far as these "rankings" are concerned, they are speculation. Of course, the Czech Republic, which borders neither Russia nor Ukraine, would, as a NATO member, be easier for Russia to accept than Poland, which not only has a long border with Belarus but also, thanks to the Kaliningrad enclave, borders directly on Russia.

[TYDEN] Russia's objections to NATO enlargement would be more understandable if the Central European region were dangerous for Russia militarily. Is this right?

[Pezl] No, it is not. The forces that are, or can be, concentrated in it cannot defeat Russia. That is, no military risks ensue for Russia from NATO's planned enlargement.

[TYDEN] What is the military significance of this region for the West? By accepting Central European countries, will NATO forfeit a convenient military "buffer"?

[Pezl] The most significant thing for the West will be that this region is stable, politically, economically, and militarily. And, second, at present, a kind of imaginary "axis of danger" is shifting position; in the next century, it will probably not run between west and east but, rather, between north and south. Today, we may be concerned about a destabilized Russia or Ukraine; tomorrow, it could be weapons of mass destruction in the hands of terrorists from the Muslim world. Take the explosion in Oklahoma or the gas attack in the Tokyo underground: This is an intrinsic, "national" form of terrorism. Aggressive terrorism arising from fundamentalism of any orientation is dangerous and hard to overcome. The campaign against it depends on timely information of an intelligence nature, and a state that has been admitted into NATO is protected not only by a joint military force, but also by intelligence reports from its allies.

[TYDEN] Do you think our intelligence services have something to offer the West? And that they are sufficiently secure against information leaks?

[Pezl] The issue of our entry into NATO is primarily an issue of our reliability. At the moment, unfortunately, information leaks are common in our country—beginning with parliament and ending with certain intelligence services. On the whole, however, I think that the Czech intelligence services—and I am speaking mainly about the military one—work well. The smaller the army, the greater the efficiency of the intelligence services has to be, because they gain time for the army and state to be better prepared. Nevertheless, in this context, I would like to emphasize that a state's security cannot be guaranteed by its army and intelligence services alone. A state's security depends on its citizens.

[TYDEN] Some of them, of course, say: The Czech Army is good for nothing; it has not fought since the

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time of Jan Zizka. What use is such a small army in major battles?

[Pezl] Such opinions betray an absolute ignorance of this state's history. Before 1918, 140,000 battling legionnaires won recognition for the establishment of the independent Czechoslovakia. Even our part in World War II was in no way insignificant.

[TYDEN] But these views are being expressed by future voters. And the climax of next year's election campaign may overlap the period when the decision on our membership in NATO is being made...

[Pezl] In any case, the Army should sail through the campaign stage unscathed. It should be isolated from controversies, from all of the scandals that will loom large.

[TYDEN] To return to the question before last: What would you say to someone who insisted that our current Army is incapable of mounting a defense?

[Pezl] First, that the army that would defend the country is three to four times larger than the Army that is now under arms. Most of it would be composed of reservists. The level of the citizens' resolve to defend this state and to fulfill in uniform the tasks for which they were trained is also the level of our Army's combat readiness. Second, it is true that, compared with the present, several strategic and operational exercises using live ammunition were held annually during the time of the Warsaw Pact. Despite this, I would assess our Army's combat readiness as standard. This is not exclusivity, but I think that, once the troops "settle down" and after the normal exercise regime "gets into the groove," a situation such as the one being demonstrated by the rapid deployment brigade, some missile units, or our soldiers in UNPROFOR [UN Protection Force] will soon be reached. One-third of the UNPROFOR unit is made up of career soldiers and two-thirds of reservists—so it has roughly the same structure as the future Czech Army.

It is interesting that, in nonstandard situations, when they have to react quickly to new circumstances for which they have been unable to prepare, our soldiers in the former Yugoslavia often conduct themselves much better than the professionals. It seems that our creative, slightly free way of thinking is more than drill.

[TYDEN] In what ways will entry into NATO influence our Army?

[Pezl] The unequivocal conditions for entry into NATO are political decisionmaking and a functioning economy. That is necessary to ensure compatibility between our Army and the other NATO Armies. By that I mean, first and foremost, "compatibility of minds": Sharing the same values and also technologies. The language barrier has to be overcome. However, when the Germans entered NATO in 1955, they did not know English, either, and today their officers speak it splendidly. Things have already improved in our country: A number of our people have been through UNPROFOR, where they had to communicate in English, or military academies and courses in the United States, Belgium, Britain, the Netherlands, Germany, France, etc.

As far as our capacity for joint operations, the technical means of command and communications are concerned, money will be put into these spheres this year.

Well, the other things are of a roughly material nature. For example, will we keep the 152-mm caliber heavy artillery, or will we switch to the 155-mm caliber? Where we have the munitions and where our hardware is comparable, we will scrap it. There are, however, weapon systems that we have to modernize: the air force, antiaircraft, and antiissile defense, etc.

We already match NATO standards in the structure of our forces; now the issue involves making sure that the command corps is "intellectualized" (that is, make sure there is the "compatibility of minds" that I mentioned) and that a corresponding order is brought into the intensity of training.

The changes in the Army structures, especially the material ones, are long-term. No one is rearmed in the space of three years. We also have to take into consideration how the forms of risk are changing. The probability of a major conflict has been reduced; other threats are emerging, however. I have mentioned terrorism. It could happen that the police would be unable to cope with some of its forms. Special Army commando units could then step in.

[TYDEN] Who will make the decisions about such new strategies?

[Pezl] The Army does not conduct itself differently from the democratic state. It is an integral part of it: It shares the same values and respects government (not party!) policy. The defense legislation should be completed this year. Unfortunately, it is moving along slowly. As far as the current legislative level of the amendment necessary for the state's defense is concerned, I have to say that, in this respect, we are not a law-governed state. There is improvisation, the old laws are being seized upon...

[TYDEN] One Western ambassador in Prague declared recently that the Russians will never say "yes" to NATO enlargement. Some time ago, however, they indicated that they would perhaps tolerate enlargement under

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specific conditions (that is, a special statute for new members, perhaps the so-called Norwegian model).

[Pezl] The Russians, in essence, did not say yes to either the collapse of the Warsaw Pact or the withdrawal of their forces. Their views, however, come into conflict with other concepts—and that is the point. The coming presidential and parliamentary elections in Russia will reveal a lot.

[TYDEN] And, what about this "Norwegian model"—that is, membership in NATO without nuclear weapons and foreign forces?

[Pezl] Nuclear weapons today no longer play the role they did in the 1980's. Tactical weapons—or short-range missiles—have been withdrawn from Europe because they have lost their purpose. On the other hand, strategic nuclear weapons have retained theirs. However, they require a specific infrastructure, special care—and all of this is very costly.

Why should these weapons—in whose range 100 km does not play any role—come to the Czech Republic? There is no reason for this. This is a fabrication that someone has come up with to cast doubt on certain things. If a major conflict were to erupt, it would be something else: At such a time, obviously, no one would talk about whether a normal aircraft or an aircraft with nuclear weapons would land at a particular airfield.

[TYDEN] Is it in our own interest, however, for the West to have something here that is associated directly with the defense of our region and that it would not want to forfeit? In the 1950's, Adenauer strived desperately for a U.S. presence on German territory because the Germans doubted whether the Americans would go into a life-and-death struggle for German interests alone. We are a much smaller country, smaller too in terms of the significance we have for the West.

[Pezl] Apart from nuclear weapons, there are other resources the state cannot afford to lose: resources from the research sphere, air defense, the infrastructure, etc. If NATO is enlarged, another command will undoubtedly be established, to which not only the forces of the new members but also some of the forces of the old countries will be subordinate. Some of them would also probably be deployed in the new member states. The new command's staff would be multinational, and it would be a NATO staff, which, for example, would mean that the Germans there would speak English. Of course, where this staff would be based—whether in our country or in Poland, for instance—is not, it goes without saying, clear at the moment.

Naturally, the best guarantee is economic amalgamation. Only sufficiently large economic interests could override indecisiveness in decisionmaking.

Privatization Decision Made on SPT Telecom

LD2806145495 Prague Radiozurnal Radio Network in Czech 1400 GMT 28 Jun 95

[FBIS Translated Text] Jitka Kucerova reports on the session of the government currently under way:

[Kucerova] The victor of the selection process for the strategic partner for SPT Telecom, out of the five participants, was the Dutch-Swiss company Telsource. The Swiss company will pay $1.32 billion for 27 percent of Telecom shares. It has pledged to grant other free services to the value of $131 million.

The government was unable to discuss the proposal on concluding an agreement with the International Oil Consortium, known under the acronym IOC, on entering the Czech oil-refining industry because one of the four companies, the French firm Total, backed out quite unexpectedly—allegedly for internal reasons—from the preliminary agreement.

The Czech side will take the following course of action: If Vladimir Dlouhy, minister of industry and trade, receives by 30 June a letter from the other firms saying that they are ready to conclude this agreement without Total, the government will discuss the proposal again, probably on 7 July. In the opposite case, Minister Dlouhy will have to submit a proposal on how the situation of Czech refineries should be solved.

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Government Memorandum on EU Application Reviewed

AU2906101195 Bratislava NARODNA OBRODA in Slovak 26 Jun 95 pp 1, 5

[TASR report: "Government Memorandum Supplementing Slovakia's Application for EU Membership: Economic Decline Overcome, Revitalization Has Started"]

[FBIS Translated Text] Bratislava—On Tuesday, 27 June, Slovak Prime Minister Vladimir Meciar will participate in the summit of EU members and its associate partners, which will start in Cannes, France, today, on the occasion of a meeting of the European Council. Vladimir Meciar was invited to the summit by French President Jacques Chirac (France currently presides over the EU).

In the course of the summit, the Slovak delegation will submit to the French president the "Memorandum of the Government of the Slovak Republic" that supplements Slovakia's application for EU membership. The memorandum states, among other things, that Slovakia's strategic goal is to acquire full EU membership in about 2000 and to join the EU as an equal member. The period of economic decline has been overcome in Slovakia, and the phase of revitalization has started. According to preliminary results, the GDP grew 4.8 percent in 1994, compared with 1993. Growth tendency has been characteristic of the development of the GDP also in the first quarter of 1995, when it grew 5.8 percent, compared with the same period a year ago. "Statistical prognoses indicate that favorable trends in the development of the economy of the Slovak Republic will continue in 1995. The GDP is estimated to rise approximately 5.9 percent in 1995, compared with 1994. The annual inflation rate should reach 9.7 percent this year, and the unemployment rate is projected to reach a level of 13.7 percent by the end of 1995, which means 350,000 registered unemployed people," it is stated in the memorandum.

More than 7,600 firms with foreign capital participation operate in the Slovak Republic at present, the private sector generates 61.2 percent of the GDP, and the final phase of the privatization process is being prepared. In shaping a market environment in the Slovak Republic, great importance is being ascribed to the protection of economic competition. In the Constitution of the Slovak Republic, it is expressly stated that "the Slovak Republic protects and promotes economic competition." As the memorandum goes on to say, foreign trade has acquired new, more distinct dimensions in the independent Slovak Republic. The openness of the economy of the Slovak Republic, measured in terms of share of exports in the GDP, has greatly increased. In 1994, this share represented 54.1 percent. The growth of foreign trade, the volume of which reached 427 billion korunas [Sk] in 1994—that is, $13.3 billion—is also directly connected with this. At the same time, the volume of foreign trade with EU countries, following stagnation in 1993, recorded a growth of almost 50 percent in 1994.

The banking sector in Slovakia consists at present of 30 banks with an awarded license, 28 of which have already gone into operation. The text of the document highlights the fact that this represents considerable progress against the beginning of 1991, when there were only two state banks in Slovakia. The basic assets of the banking sector have reached Sk24.6 billion (approximately $820 million). The Standard and Poor's rating of the Slovak Republic was upgraded from BB - to BB + as of April 1995. Besides, the Moodys Investors Service company has extended to the Slovak Republic as of May 1995 a Baa3 rating, which is the first investment level.

The Memorandum of the Government of the Slovak Republic supplementing the Slovak Republic's application for EU membership also analyzes the development of Slovakia's foreign policy. The Slovak Republic is interested in becoming a full-fledged member of the Western European Union [WEU]. The Slovak Republic supports the transformation of the WEU as the EU's defense component. However, at the same time, it is necessary to preserve the firm strategic partnership between Europe and North America through the North Atlantic Alliance and the Partnership for Peace.

Meciar Comments on Missed Meeting at Cannes

LD2806230595 Bratislava STV 1 Television Network in Slovak 1730 GMT 28 Jun 95

[Interview with Slovak Prime Minister Vladimir Meciar by an unidentified correspondent; place and date not given—live or recorded]

[FBIS Translated Text] [Correspondent] After the end of the EU summit in Cannes, Czech Prime Minister Vaclav Klaus said that, after talking to you, prime minister, he had the impression that the Slovak side was not interested in talks with the Czech side on the level of prime ministers or ministers. What is true about this?

[Meciar] We expected an offer for a meeting in Cannes, but it was not proposed or organized through official channels. We received an unofficial offer for a meeting we would like to have accepted, but we already had a meeting scheduled for the same time with another delegation. Therefore personal contact was not possible.

During the preparations for talks, we met at a working party, where we discussed with Mr. Klaus the existing

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problems and solutions to them. We also proposed a certain solution that the Czech side did not accept. Therefore, we suggested that it would be useful to continue the dialogue, but, because there was no hope that the meeting between the government officials would bring good results, we proposed that this meeting takes place on a lower level.

I think this is not a rejection of a contact (?and of a cooperation) but an attempt to discuss things in a matter-of-fact fashion and to reach agreements where everyone expects us to reach them.

Ministry Issues Study on Size of Minorities

AU2806140295 Bratislava PRAVDA in Slovak 27 Jun 95 p 7

[CTK report: "Number of Slovaks in Hungary Is Declining"]

[FBIS Translated Text] The size of the Slovak minority in Hungary is sharply declining, in contrast with the Hungarian minority in Slovakia. This is stated in a Slovak Ministry of Culture analysis that is to serve as a basis for the implementation of the government's cultural and information policy in ethnically mixed areas.

While in 1920 there were 244,000 "Slovak-speaking Hungarians" in Hungary, 10 years later their number had dropped to 233,000. In the years 1949, 1960, and 1970, 78,000 Slovaks officially left Hungary. During the 1980 census in Hungary, only 16,000 Slovaks were recorded.

The proportion of the Hungarian minority in Slovakia has been stable over the long term at between 10 and 12 percent of the population. Although the share of ethnic Hungarians in Slovakia's population has declined slightly over the past 30 years, their total number increased from 518,782 in 1960 to 567,296 during the last census in 1991.

Overall, minorities represent 14.3 percent of the population of Slovakia. The second-most-numerous minority, following the Hungarian community, is the Romanies, with 1.4 percent. In 1991, 52,884 people declared themselves to be of Czech nationality. The Ukrainian and Ruthenian ethnic minorities are both 0.3 percent, and the Polish and German communities 0.1 percent of the total population.

Officials Inform Hungarian Deputies of Ethnic Policy

AU2806141195 Bratislava PRAVDA in Slovak 27 Jun 95 p 2

[TASR report: "Hungarian Deputies in Slovakia"]

[FBIS Translated Text] Bratislava—A delegation of the Hungarian National Assembly Committee for Human Rights, Ethnic Minorities, and Religious Affairs, headed by Committee Chairman Gabor Gellert Kis, has been paying a four-day reciprocal visit to the National Council of the Slovak Republic [NRSR] since Sunday, 25 June. Yesterday, it held talks in Bratislava. As Deputy Prime Minister Jozef Kalman said after his meeting with members of the delegation, the talks revealed that the Hungarian deputies are not sufficiently informed about the planned law on the state language of the Slovak Republic and about the project of alternative education in ethnically mixed areas. At the Ministry of Culture, the Hungarian deputies were received by Jozef Kralik, head of the Ministry of Culture Office, who replied to their questions regarding fears for the fate of ethnic culture and minority press in Slovakia. At the Ministry of Education, they were received by State Secretary Ondrej Nemcok. The talks also touched on the dismissal of four principals of Hungarian-language secondary schools. The state secretary asked the guests not to perceive this step as an ethnically motivated act, but exclusively as a decision caused by insufficient expertise and competence for the performance of the duties. The Hungarian deputies also met with members of the NRSR Committee for Public Administration, Territorial Self-Administration, and Ethnic Minorities.

Press: Meciar Does About-Face Toward Opposition

AU2806131595

[FBIS Editorial Report] Bratislava NARODNA OBRODA and Bratislava SME in Slovak on 21 June publish commentaries on Prime Minister Meciar's first meeting with the leaders of Hungarian minority parties, held in Bratislava on 19 June, wondering about the possible motives of what they view as an "about-face" in Meciar's attitude toward the Hungarian Coalition and the opposition in general.

Bratislava NARODNA OBRODA in Slovak on 21 June on page 3 carries a 1,200-word commentary by Julius Gembicky entitled "What Lies Behind Vladimir Meciar's Political Talkativeness?" Gembicky opens the commentary by saying: "It took three years for the highest representatives of the Movement for a Democratic Slovakia [HZDS] and the Hungarian Coalition parties to find a way to one another. In the wake of escalating confrontational relations between the coalition and the

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opposition and at a time of Slovak society's deepening polarization, the HZDS offer of talks with opposition entities comes as a strategic surprise from the most inscrutable post-November politician. Not only have opposition leaders been taken aback, but also the general public, which is accustomed to feuds and attacks. All of them in unison are therefore asking what lies behind this surprisingly cooperative attitude and talkativeness of the HZDS and Vladimir Meciar, in particular. How is it possible that, at a time of the perhaps most exacerbated relations between the Hungarian community in Slovakia and the present ruling power, representatives of both sides sit down together at the negotiating table?"

Gembicky goes on to examine possible causes of what he sees as "changes in the HZDS's tactics in relation to the opposition" and in "Vladimir Meciar's own political behavior." He notes Meciar's awareness of the "frequently unfavorable impact of the decisions of his third cabinet on society" and of the need "to correct the further course of action following a serious assessment of mistakes and errors." He also believes that Meciar is forced to react to the fact that "the decisive opposition parties are beginning to coordinate their activities."

Gembicky continues: "What else could make the HZDS and Vladimir Meciar seek a dialogue with the opposition? Is it fear of tremors in the coalition following a possible government reshuffle, given the strained relations between the prime minister and Minister of Education Slavkovska? Or are the rumors of tensions between the HZDS and the Slovak National Party at the Ministry of Defense true? Could the readiness to conduct a dialogue be a reflection of the widening gap between the political concepts of Vladimir Meciar and the economic views of Deputy Prime Minister and Finance Minister Sergej Kozlik? Or is this perhaps a defensive reaction in anticipation of a possible crash of Meciar's 'talon' privatization?" According to Gembicky, it is also possible that Meciar is only "feigning an accommodating attitude" in an attempt to improve his reputation abroad before the pope's visit to Slovakia, the filing of the official Slovak application to join the EU, and the ratification of the Slovak-Hungarian basic treaty.

In conclusion, Gembicky voices the view that, "should dialogue in solving complex problems of Slovakia's transformation become Vladimir Meciar's permanent working method, it would be a small miracle: The politician Meciar would grow into a statesman."

Bratislava SME in Slovak on 21 June on page 4 carries a 700-word commentary by Robert Kotian entitled "About-Face?" According to Kotian, the HZDS's talks with representatives of the Hungarian Coalition have indicated "a possible way out of the present political malaise and political confrontation—dialogue." Pondering the possible causes of this step, Kotian says: "The HZDS is facing too many obstacles at once and must be successful in at least some of them:

1. The Holy Father is about to visit, and the prime minister can have no interest in critical reservations from his side (after all, this would be a different cup of tea than utterances by some foreign parliamentary visitors or a statement by the U.S. Embassy).

2. Ratification of the Framework Convention on the Protection of Ethnic Minorities and the subsequent approval of the Slovak-Hungarian basic treaty.

3. Passage of economic and social bills at the forthcoming meeting of the National Council of the Slovak Republic, the future of some of which is extremely doubtful. In view of previous Constitutional Law rulings and hitherto statements by a number of legal experts on the amendment to the law on investment funds and the law on securing state interests in the privatization of strategically important state companies, it cannot be ruled out that at least two of these bills will wind up before the Constitutional Court.

4. Later this month, the minister of foreign affairs is to submit at the EU summit in Cannes the Slovak memorandum and application for full EU membership and cannot be interested in exceptional confrontation on the domestic political field."

In conclusion, Kotian suspects that it is precisely the present "time of exigencies" that has made the prime minister change his attitude and "assume the posture of a caring father concerned also about minorities and the rank-and-file citizens."

Altered Mechanism of 2d Privatization Wave

AU2806131895 Bratislava PRAVDA in Slovak 24 Jun 95 pp 1, 3

[Article by Vladimir Tvaroska: "Coupon Book as a Souvenir"]

[FBIS Translated Text] Bratislava—Jozef Magula, state secretary at the Ministry of Finance, Stanislav Husar, state secretary at the Ministry for the Administration and Privatization of National Property, and Jan Porvaznik, deputy chairman of the National Property Fund [FNM] Executive Committee, briefed reporters on the second wave of privatization at a news conference yesterday.

Although Privatization Minister Peter Bisak (Association of Workers of Slovakia) declared on 20 June that there would not be a second wave of coupon privatization in Slovakia, Stanislav Husar (Movement for a

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Democratic Slovakia), state secretary at the same ministry, yesterday claimed that the new method would still be called coupon privatization. But, a short while later, Jozef Magula conceded that the issuance of bonds does not amount to a change of ownership (and, hence, represents no form of privatization). FNM bonds with a nominal value of 10,000 korunas [Sk] will be put to citizens' accounts with the Securities Registration Center as of 1 January 1996. All owners of investment coupons with a valid registration will receive the bonds. The Ministry of Finance will pass the list of registered citizens on to the FNM. The coupon book is not needed in this process and becomes thus a mere souvenir. The bonds will mature after 1 January 2001. Their annual yield (interest rate) will be equivalent to the discount rate, which now stands at 11 percent.

The FNM will obtain resources to redeem the bonds through the sale of shares in its possession. The same standard methods of privatization will be applied as heretofore—that is, primarily, direct sales. Asked when the FNM would brief the public on the privatization sales realized this year (whose total volume amounts to Sk15 billion), Jan Porvaznik only replied: "I will communicate to the Executive Committee the view that it would be appropriate to convene a news conference."

The FNM will own property with a book value of approximately Sk220 billion, of which Sk100 billion is in strategic companies that will be excluded from privatization under a planned law. According to Jan Porvaznik, however, the planned legislation represents no obstacle to even those shares being used as a guarantee. "The legislative change cannot pose any problem of principle. Strategic companies will not be privatized this year and next, but it is possible that minority stakes in them will be sold in 1997," he said. Even without strategic companies, the FNM will have property with a book value of Sk120 billion. The market value of this property is approximately one-half of that sum, which should be enough to cover the bonds, even in the case of 10-year installment plans. Jozef Magula said that the FNM would have to become more active. In his opinion, the bond method will contribute to accelerating privatization because the FNM will be forced to sell faster in order to maintain its liquidity.

Jan Porvaznik conceded the possibility of reassessing the present system of sales, under which the buyer acquires through direct sale a 51-percent stake, which significantly lowers the price of the remaining shares. If majority stakes in companies were to be sold on the capital market, the shares would become more attractive. It will be possible to buy shares on the public market using also the bonds issued by the FNM, but the technical modalities of this operation have not yet been sorted out. What is certain, however, is that only the FNM will decide which shares will be sold directly to buyers determined in advance and which will be retained for sale through the capital market. The bonds will not entail any right of preemption, but will only serve as a medium of payment. It will be possible to use the bonds in paying the FNM for already purchased shares (in the case of employees' shareholding companies), in paying for supplementary health or pension insurance, or in purchasing apartments. No reply was given to the question of whether communities and other entities will be placed under an obligation to accept the bonds. Some legal persons, too, such as banks, will be able to purchase the bonds. The price of the bonds (which, according to Jozef Magula, will be roughly equal to the nominal value, that is, Sk10,000) will be quoted on the stock market.

SDL Criticizes New Privatization Program

LD2806134695 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 28 Jun 95

[FBIS Translated Excerpt] The Party of the Democratic Left [SDL] held a news briefing today. [passage omitted]

Tamara Valkova has brought us more information from the briefing:

[Valkova] Parliament will be discussing the government-sponsored bills amending the privatization process in a week's time. The bill in question is the amendment to the so-called big privatization law. [passage omitted]

This is what Jozef Kosnar, National Council deputy from the SDL, said about privatization laws:

[Begin Kosnar recording] By tabling these amendments—in particular, the amendment to the big privatization law—the government has displayed its arrogant and disdainful approach to the 3.5 million citizens whom it in effect swindled by substituting coupon privatization with a bond experiment and by effectively dumping coupon privatization for which the property worth 70 million korunas [Sk] had been earmarked.

This means that the government failed to take into account its own policy statement and that it intends to make the law an instrument of imposing upon citizens this bond adventure worth Sk35 million.

In exchange for his Sk1,000 or Sk700, a citizen will obtain a bond worth Sk10,000 redeemable in five years' time. However, it is unlikely that the National Property Fund will be able to foot this. The question that arises

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is why this government is making this gift to a future government that will have to fulfill these promises in the year 2000 or 2001, while this government's mandate lasts until 1998 or, in other words, until the next election.

Real property worth many billions of korunas will be quietly and without any control handed out to the faithful, to the pillars of power, and all of us will pay for it.

The true purpose of the so-called new privatization concept and the laws that should allegedly put it on legal footing has little in common with the continuation of economic transformation. We are convinced that it is primarily aimed at securing political power objectives and that its aim is to bring benefit to a small group of people who are abusing (?power)... [end recording]

[Valkova, interrupting] We then learned from the party's deputy chairman, Milan Ftacnik, that:

[Begin Ftacnik recording] The SDL is backing the government's efforts aimed at Slovakia's joining the European Union. The SDL urges the Slovak Government to reassess measures that could counter this goal. These are the measures that enhance the tendencies leading to an authoritarian regime, growing nationalism, and state dirigisme. [end recording]

SLS Reelects Frantisek Kalesny as Chairman

AU2806132195 Bratislava SLOVENSKA REPUBLIKA in Slovak 26 Jun 95 p 2

[Unattributed report in the "Briefly" column]

[FBIS Translated Text] The Fifth All-Slovak Assembly of the Slovak People's Party [Slovenska Ludova Strana, SLS] was held in Trnava on Saturday, 24 June. The present leadership, including SLS Chairman Frantisek Kalesny, were confirmed in their posts.

New Head of Secret Service Supervisory Body

AU2806150395 Bratislava PRAVDA in Slovak 27 Jun 95 pp 1-2

[Article by "sm, TASR": "HZDS Deputy Igor Urban Chairman: Opposition Proposals To Extend the Special Supervisory Body for Overseeing the Slovak Information Service Turned Down"]

[FBIS Translated Excerpt] Bratislava—The eighth session of the National Council of the Slovak Republic [NRSR] continued yesterday with the rejection of the opposition's part in supervising the secret service.

Parliament discussed yesterday the extension of the special supervisory body (OKO) for overseeing the Slovak Information Service [SIS]. Following a brief debate, government coalition deputies decided not to accept any proposals from the opposition. Democratic Union [DU] Deputy Eva Rusnakova unsuccessfully proposed that the number of OKO members be extended to nine and that each parliamentary club be represented in OKO. Her next proposal, that Roman Vavrik (DU) and Anton Hrnko (DU) be elected OKO members, did not gain the necessary majority, either. Peter Weiss (Party of the Democratic Left) was reminded of practices from times when the secret service was controlled by a single party. He proposed that, because the professional Vladimir Mitro was replaced in the post of SIS director by a former party functionary, Ivan Lexa from the Movement for a Democratic Slovakia [HZDS], OKO ought to be supplemented with representatives of the opposition. However, the voting machinery gradually turned down, apart from the DU members, Pavol Kanis from the Party of the Democratic Left, Ladislav Pittner from the Christian Democratic Movement [KDH], and Laszlo Koteles from the Hungarian Coalition. The only proposal that gained the necessary number of votes was that of Tibor Cabaj, chairman of the HZDS Club of Deputies, that a new member, Jozef Stranak (HZDS), be admitted to OKO. Igor Urban, deputy from the same parliamentary club, was then elected OKO chairman.

Ivan Simko (KDH) asked about the fate of the NRSR resolution, under which the eighth session was to be relayed live. NRSR Chairman Ivan Gasparovic (HZDS) said in reply that not even 150 deputies can order Slovak Television to relay the session live. The noncontinuation of the relay has supposedly been caused by technical problems because Slovak Television has started moving its equipment to locations that will be visited by the Holy Father. [passage omitted]

Stefan Gavornik (Association of Workers of Slovakia), president of the National Property Fund [FNM] Presidium, submitted to the NRSR the FNM's closing account for 1994. Both the FNM assets and liabilities represented the sum of 81.054 billion korunas [Sk] last year. The main item of assets—Sk55.514 billion—were FNM stakes in the property of shareholding companies. [passage omitted] After approving the FNM closing account, parliament also approved a report on the FNM's activity last year. [passage omitted]

[Bratislava SLOVENSKA REPUBLIKA in Slovak on 27 June on pages 1 and 2 carries a 400-word report by Dobroslav Krajacicova and Miroslav Sasky on the 26 June parliament meeting, which adds: "The NRSR passed a resolution yesterday approving the Slovak Government proposal to dispatch members of the Army of the Slovak Republic outside the Republic's territory. Members of our Air Force and Air Defense Forces will participate in combat firing exercises in the Polish

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Republic. Slovak soldiers also will not be absent from exercises held within the framework of Partnership for Peace, which will be held in 1995 in Romania, the Czech Republic, Italy, Germany, and the United States."]

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Report on Fuel, Stolen Cars Smuggled Into FRY

AU2806133695 Budapest MAGYAR HIRLAP in Hungarian 28 Jun 95 p 10

[Article by Peter Dravucz and Arnold Szentgyorgyvolgyi: "Car, Drug, and Human Smuggling"]

[FBIS Translated Excerpt] [Passage omitted] Border Guard Captain Tibor Szonyi and some 40 subordinates guard the 20-km-long border section between Tompa and the Budapest-Belgrade railway line that goes through Kelebia. We drove on the Hungarian side of the Tompa border crossing point for 2 km in Szonyi's jeep. Szonyi says they dealt with almost 300 border violators last year, and they are already at 195 this year.

We count 44 bigger shops and fuel stations during the 2 km ride. The ownership is 50-percent foreign (Yugoslav or Chinese) and 50-percent Hungarian. All these businesses exist because of the embargo. Among their owners, we can find the son of a well-known Hungarian politician and a businessman from Shanghai.

Before the introduction of the embargo, some 200,000 trucks crossed the border at Tompa, now only a fraction of this number do, and these are only aid deliveries. Tourism has virtually ceased to exist; however, cars with Serbian or Hungarian number plates frequently cross the border. Mercedes is the favorite among the car types because this has the biggest fuel tank. A large proportion of the fuel comes from Ukraine to Hungary, it is collected in underground storage tanks, and then taken into Serbia, although most fuel now reaches Serbia through Romania. Weapons come from the south, through Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and Montenegro. [passage omitted]

Shops in Szabadka [Subotica] are empty, but everything can be bought at the markets. The town is bustling, the cars mainly run on Hungarian fuel. Up to now, none of the Hungarian finance ministers have found the pen that could be used to sign a decree banning Hungarian fuel exports. At the border, it is said that fuel trade to Serbia brings more than 700 million forints a month into the state budget. And who knows how much it brings to the gentlemen wearing thick gold chains, sitting in Szabadka's nightclubs, whose many dozens of cars come across to Hungary from Serbia three or four times a day. [passage omitted] The majority of the population has weapons, with or without permits. One can fire the guns even without permits. The Serbian mafiosi who, in Szabadka and other towns of northern Vojvodina, wait for the stolen cars to arrive from Hungary also carry guns. The risk of taking the cars across the border is so small that the mafiosi only get a chance to shoot at each other.

The border guards do not have a very easy job in this respect, either. For example, it seemed that they would have to let through the car that was waiting at the border point the day we arrived there, although everyone knew it was a stolen car. The car was stolen in Switzerland, together with its registration document. If the crime had not been committed in Hungary and the car's papers are original, then the border guards cannot do anything.

International crime syndicates have specialized in car smuggling and, due to the level of organization and due to the legal rules, the risk of being caught is minimal. [passage omitted]

Mercedes, Audis, and Volkswagen Golfs are the most sought after cars. In the year after the introduction of the embargo, some 150 stolen cars were stopped at the border, and only 100 were stopped last year. More cars, by orders of magnitude, are taken abroad each year. Many tens of thousands of cars are stolen each year in Hungary, and cars are not usually stolen to take them only to the next corner. According to the border guards, stolen cars are also taken further south, to Turkey and some Arab countries, in addition to Yugoslavia. [passage omitted]

Security Minister Views Illicit Surveillance

AU2806161695 Budapest NEPSZAVA in Hungarian 28 Jun 95 pp 1, 8

[Interview with Istvan Nikolits, minister without portfolio in charge of secret services, by Attila Kovach; place and date not given: "There Is Always Someone Responsible for Secret Surveillance"]

[FBIS Translated Text] [Kovach] You have already said that you did not agree with the National Security Committee members who claimed that it is even impossible to make anyone politically responsible for the almost 800 illicit secret service surveillance cases carried out in the past five years. Why?

[Nikolits] My opinion has not changed even though I respect the position of the Committee. There were cases among the 800 cases that exceeded the boundaries of human and moral acceptability even under the minimal legal environment.

[Kovach] Attila Antaloczy, the socialist deputy on the Committee, also voted with the opposition and this is how the calling to account failed. He said that the Committee should not preach.

[Nikolits] I do not share his opinion. I would not be satisfied with the constitutional protection for this

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activity, because the rights violated here were rights that no one would give up readily. So, he has to bear the odium of the vote.

[Kovach] Could the document revealing these irregularities become public?

[Nikolits] The Committee decided after all to keep the report secret until the legislation of a national security law.

[Kovach] Does that mean that those under investigation will not be able to learn the results?

[Nikolits] The bill involves a process, rather than a specific investigation, a process that it will regulate when it comes into force. The law on secret agents will enable the people in question to learn what has been collected about them. The constitutional version of this bill must be ready by 30 September. Probably citizens who feel they have been under surveillance will have to report to the proper place.

[Kovach] Would it be simpler to publish the list of names?

[Nikolits] No. One can draw many conclusions from these documents and this might also violate human rights. This will be a big national game, but I hope that the entire affair will be carried out in a cultured way.

[Kovach] In your view, does anyone bear any criminal responsibility?

[Nikolits] No, but political responsibility could be shown in any case. During the vote in the Committee, I expected that the people who might have been affected—such as former interior minister and prime minister Peter Boross and former secret service minister Tibor Fuzessy—to abstain. It is a weak defense when someone is only responsible to a given government and a given political course. Anyone who enters politics should be aware that he also bears responsibility for his actions historically.

[Kovach] What is hindering a national security law?

[Nikolits] Internal coordination has begun, because constitutional problems also emerged when the bill was submitted to parliament. This coordination will come to an end soon and I hope that parliament will pass the law in September.

[Kovach] In the course of your activity as minister without portfolio, have you signed any surveillance permission like those currently under debate?

[Nikolits] I asked for reports on some people slated for foreign service and on one direct staff member candidate. The results were negative in these cases, but I was already acting in the spirit of the future law, just like my predecessor, Bela Katona. It is not true that one cannot abuse the lack of regulations, as Tibor Fuzessy claims. There is a moral limit that must not be crossed.

[Kovach] To what extent were the former ministers disciplined soldiers? Did they carry out questionable orders?

[Nikolits] On disciplinary matters, a minister is indeed only responsible to his own government and prime minister. The president can say that he has no confidence in someone because of what he did. Even if this does not happen, political responsibility will accompany these people for a long time.

[Kovach] It seems that he bill on state secrets is a list of wishes: a collection of wishes of various ministries and institutions to keep some things secret. What is your opinion about this?

[Nikolits] There is some truth in this, but I do not want to drift into others' areas. However, I think no one wants to take upon himself extra work with useless secrecy. I believe in openness.

[Kovach] Do the government members share this opinion?

[Nikolits] This is always decided by the type of the problem. However, the activity of secret services should be kept secret, so the closure must be done for a long time.

[Kovach] Serious social tensions emerged after 12 March. The activity of the secret services generally increases in such cases. Does this also apply in this case?

[Nikolits] I do not feel this, but I would also resign the moment that anyone tried to make me do this.

[Kovach] Have you already asked your predecessor, Bela Katona, on what he based his declarations that the bridge between economic crimes and major politics has already been extended?

[Nikolits] He may share his thoughts once, on which he based these opinions. There are numerous major cases and there are also important figures among the people involved. They might take an interesting turn.

[Kovach] For example?

[Nikolits] I cannot give you an example as yet.

[Kovach] Is it possible that some players in the black economy will launder themselves through decisive political circles?

[Nikolits] This is a possible way of integration for the black economy, albeit not a desirable one.

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[Kovach] You must have heard rumors about such connections.

[Nikolits] I have heard rumors, but no clear proof and arguments so far. If we come across such a thread, we will pass the material to the police. However, I think that it is possible that the "documents" prepared about some politicians are being used for political blackmail.

[Kovach] In the case of Magda Marinko, a secret service agent repeatedly predicted the killings, and even named the killer. The police shelved the report of the National Security Office. How can one envisage cooperation under such circumstances?

[Nikolits] Given that this did not happen during my tenure, I do not want to comment on this specific case. This should burden the conscience of those who participated in the case and assisted the series of murders in this way. The trial will provide answers to many questions. In addition, I have contacted partner organizations in order to carry out more efficient activity.

[Kovach] Do the good relations also derive from the fact that the secret service also keeps the police under surveillance?

[Nikolits] Despite its appearance, this question is not cynical, because the activity of the secret services covers the entire society. Whether we like it or not, this work cannot be carried out without social confidence, and this also requires the supervision of the National Security Office.

[Kovach] Has the decision of the National Security Office further eroded society's confidence?

[Nikolits] It is possible, but there is no other way, because we have a democratic system of institutions, and control is required. The organization must obtain society's confidence.

[Kovach] The police did not welcome the idea that the National Security Office should also have surveillance rights in matters of organized crime. Why was this necessary?

[Nikolits] The Office has always had the authority to investigate economic affairs. I will not give up one millimeter of this position to protect the economy. If the country thinks it is in its interest not to allow the efficient means of the Office to be used in this area, I will have to consider my resignation.

[Kovach] It is interesting that no economic scandals have surfaced in the past four years. At the same time, corruption is suspected in the privatization process. What have you done in this field?

[Nikolits] I do not want to provide details about cases in which we informed the partner organizations even slightly. One should also take into consideration that we do not work in the open. Therefore, it is our task to nip things in the bud, before problems arise.

[Kovach] Do you expect any genuine results in the near future?

[Nikolits] We expect such results any time, but the genuine aspect of these results does not appear in our organization.

[Kovach] Has the activity of foreign intelligence increased in Hungary lately?

[Nikolits] Things have changed: We have now quite efficient cooperation with those whom we used to oppose before. However, it is also natural that we observe each other.

[Kovach] We learned that more than 3,000 Hungarians who resettled here from beyond our borders are working in the Hungarian state administration. Is it true that your organization also carried out investigations in this field?

[Nikolits] We investigated the number of people with access to state secrets that might threaten national security. There are many people in such positions. However, we could not yet carry out proper studies to clarify the matter because of the delay in the legislation of the relevant law.

[Kovach] The prime minister has just dismissed one of the government members, namely Industry and Trade Minister Laszlo Pal. What is your opinion about his departure?

[Nikolits] I regret his departure, but Laszlo Pal himself did not question the basis of his dismissal.

[Kovach] Whose position do you share in connection with foreign ownership of the Hungarian energy sector?

[Nikolits] My opinion is that we should preserve the majority state ownership. This is also in Hungary's basic interest. However, there are debates on the technical solution.

[Kovach] In the course of privatizing its mineral oil industry, Hungary could easily fall into a dependency situation.

[Nikolits] This is a very tough subject.

[Kovach] We have reliable information about the activity of foreign firms in Hungary that do not have an altogether immaculate reputation and they might represent a serious market potential in the near future.

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[Nikolits] It is very difficult to state this as a fact. At the same time, it requires our attention. However, one should not shout mafia in every case. A "simpler" situation might also emerge, because Hungary does not have sufficient sources of energy and it has to import it. It is immediately something else and not mafia when a chain emerges in which everyone adds his own profit to the price and this increases prices considerably. We are talking about huge amounts here: Even if a middleman only raises the price by a few cents, this represents a huge amount of money for the country.

[Kovach] Is any environmental protection study under preparation about the firms involved in the privatization of the Hungarian energy sector?

[Nikolits] No, for the simple reason that they want to participate in this privatization.

[Kovach] Is it possible that Laszlo Pal was dismissed because of these problems?

[Nikolits] You should not ask me about this.

Dunai Discusses Economic Revival Philosophy

LD2806225095 Budapest Kossuth Radio Network in Hungarian 1600 GMT 28 Jun 95

[FBIS Translated Text] The parliament's Economic Committee supports the nomination of Imre Dunai for the post of industry and trade minister. In the morning the committee in charge of European integration matters also supported him. Tamas Luigits reports on this afternoon's meeting.

[Luigits] There is some difference in economic philosophy between the Finance Ministry leaders' program and my ideas, since I believe that the measures aimed at the restriction of consumption are not sufficient for putting the economy in order; to this end an increase in export stimulation is necessary, said Imre Dunai at the committee hearing. It is also necessary to increase commercial development and tourism funds, to change company tax allowances, and to encourage foreign capital investments.

The minister candidate is of the view that domestic consumption cannot be increased by artificial means in order to help small business develop since every intervention aimed at a growth in consumption would infer a rise in imports. The trade deficit, however, should be reduced by all means. The minister candidate wants to see the changes necessary for his goals as early as the 1996 budget. He wants to further improve the microeconomic processes—which are already developing in a positive direction—without any deterioration in the balance of payments.

Imre Dunai said that he agreed with the government's stance on the privatization of the energy sector. He also believes that the budget does not have enough money for the reconstruction of the sector. More and more foreign capital will be necessary for this. He did not wish to comment on the work of his successor Laszlo Pal.

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ICRC: Serbs Flee Fighting in Serb Territory

AU2806131095 Paris AFP in English 1226 GMT 28 Jun 95

[FBIS Transcribed Text] Sarajevo, June 28 (AFP)—Thousands of Serbs have fled the advance of the Bosnian Army attacking frontlines around Sarajevo, officials of the International Committee of the Red Cross (ICRC) said on Wednesday.

Making their first foray into Bosnian Serb territory for nearly a month, ICRC officials visited two Serb hospitals to the west and north of the city and handed out blankets and medical equipment on Tuesday.

The hospitals at Blazuj and Vogosca are close to areas under attack from the Bosnian Army, which launched a major offensive around the capital two weeks ago.

ICRC spokesman in Sarajevo, Pierre Gautier, said: "the (Serb) civilians are concerned about the situation and some of them have been obliged to flee the area but it seems to be under control."

Gautier said all the populations close to the front lines had fled. "It's a question of thousands," he said.

The ICRC delegate added that the two Red Cross cars used by the delegates who delivered the aid had been shot at as they came through no-mans land into the city. No-one was injured.

"This very serious and grave incident means that in the future we may not be able to help those victims in these areas," Gautier said.

FRG's Steiner: Contact Group Plan Unchanged

AU2806185395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 28 Jun 95

[FBIS Translated Text] Michael Steiner, German representative in the Contact Group, currently visiting Sarajevo, made a special statement for B-H PRESS after meeting with President Alija Izetbegovic, Prime Minister Haris Silajdzic, and other Bosnia-Herzegovina leaders.

Yesterday and today we had very intense talks, and the only thing which I would like to clarify and make clear from any shadow of doubt is that the Contact Group position is absolutely unchanged. We remain committed to our plan. This is the only plan on offer, and the Contact Group will not come up with a new one, Steiner said.

Our talks yesterday and today were accompanied by constant shelling, that is, attacks on Sarajevo; I wish to state clearly that this must stop.

Michael Steiner, German representative in the Contact Group, stressed in his statement that [words indistinct] unimpeded access to Sarajevo and that the delivery of humanitarian aid to encircled areas in eastern Bosnia must be made possible. Moreover, he reiterated [words indistinct] the UN Protection Force's free movement.

We intensely discussed the road to progress. I believe I can say that President Izetbegovic, Prime Minister Silajdzic, Minister Sacirbegovic, and Vice President Ganic, with whom I met two days ago, are all ready to take a constructive line. I must say that despite the gravity of the general situation, I nevertheless feel encouraged, Steiner concluded.

Iranian Ambassador Stresses Support for Muslims

LD2806184795 Tehran IRNA in English 1837 GMT 28 Jun 95

[FBIS Transcribed Text] Zagreb, June 28, IRNA—Iranian Ambassador to the Republic of Bosnia-Herzegovina Mohammad Taherian, in a meeting in Sarajevo on Tuesday [27 June] with the Bosnian Raisul-Ulema Mostafa Saric, underlined the continuation of supports given by the Islamic Republic of Iran to the Bosnian Muslim nation.

Referring to the disabilities of the United Nations and the world communities in solving the Balkans crisis, Taherian called as duty of all the Muslim nations to give supports to the oppressed and defenseless Bosnian nation against the aggressors.

In the meeting, Saric called for further exchange of cultural delegations between the two countries and said that setting up of cultural exhibitions will help expand relations between the two nations.

Appreciating the Iranian assistance to his people, he underlined that at this critical time the Iranian supports will help upgrade the level of relations and the spiritual links between the two nations.

Silajdzic Renews Call To End Arms Embargo

AU2806122095 Paris AFP in English 1127 GMT 28 Jun 95

[FBIS Transcribed Text] Paris, June 28 (AFP)—Bosnian Prime Minister Haris Silajdzic said Wednesday the international arms embargo against former Yugoslavia was killing his country and made a new call for its immediate lifting.

"We consider this embargo is illegal, immoral, and inhuman," Silajdzic said in an opinion column published in the daily LE MONDE. "It is killing us. It must be lifted immediately."

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Silajdzic earlier this month visited Washington to plead for an end to the embargo, imposed by the United Nations on all the belligerants in former Yugoslavia, but was turned down by the U.S. administration.

"By failing to distinguish between good and evil, the international community is sending a very dangerous signal: scorn for international law, make way for the predators and the free-for-all," the Bosnian premier said.

He said the world had followed a policy of isolating Bosnia-Herzegovina through the embargo, "recognition of the status-quo" and the peace plan partitioning the country. That policy was a failure, he said.

"If friends supply us with arms, we shall settle the problem ourselves," Silajdzic said, adding that Bosnia-Herzegovina was not asking for foreign soldiers to give their lives for it. "We demand the application of our right to defend ourselves."

Welcomes French Initiatives

AU2806191295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 28 Jun 95

[FBIS Translated Text] Concerning the latest initiative by French President Jacques Chirac, the EU resolution that proposes an immediate moratorium on the fighting in Bosnia-Herzegovina, and the lifting of the siege of Sarajevo, but which gives rise to many illogicalities when it comes to the mechanisms in solving the crisis in Bosnia-Herzegovina, Haris Silajdzic, prime minister of the Republic and Federation of Bosnia-Herzegovina, responded to the call by the state news agency B-H PRESS to explain the position of our country in the constellation of the newly created conditions.

Prime Minister Silajdzic welcomed the initiatives by the French president and the EU in the part that refers to the immediate lifting of the siege of Sarajevo and the opening of one corridor, and expressed his hope that this would be the primary task of the Rapid Reaction Force.

I also think that it is good that both the EU resolution and President Chirac's statement remain with the Contact Group plan. This is the plan of the international community, not ours. It is not good for us, because it wants to place under our control only those cities that are populated with non-Serbs. This encumbers the process of the return of the expelled people to their homes. However, we accepted it, and I believe that the Serb aggressor has to accept it fully, too, Silajdzic stressed.

According to the Bosnia-Herzegovina prime minister, it is illogical that neither President Chirac nor the EU in their activities in solving the crisis (?mention) the Geneva Convention on genocide, and that they in fact anticipate the aggressor's constant efforts at achieving his genocidal plan.

Asked whether the insistence by President Chirac and the EU that mediator Bildt should negotiate instead of the Contact Group meant the annulment of the Contact Group and its plan, which would represent an imposition of a solution on our side, Prime Minister Silajdzic said: There are some ambiguous elements there, but the Contact Group remains. As far as I know, Mr. Bildt's work is supported, but the Americans have said that he does not have that mandate. The Contact Group remains the body with which we discuss the plan [word indistinct].

[Word indistinct] the reintroduction of a four-month moratorium on military activities in Bosnia-Herzegovina, as proposed by Chirac and the EU, threatens to freeze again the situation on the ground to the aggressor's advantage, Silajdzic said: These are issues that we will discuss in the presidency and government, and then we will formulate our final view.

Sacirbegovic Threatens To Expel UN Forces

LD2806204295 Belgrade TANJUG in English 2004 GMT 28 Jun 95

[FBIS Transcribed Text] New York, June 28 (TANJUG)—Foreign Minister of the Sarajevo Muslim Government Muhamed Sacirbegovic Wednesday [28 June] threatened to expel UNPROFOR [UN Protection Force] from Bosnia over the latter's alleged failing to perform its functions.

In a letter to the UN Security Council, Sacirbegovic objected because the council in its Friday presidential statement condemned the Muslim authorities for blockading UNPROFOR in Bosnia and because UNPROFOR avoided requesting new air strikes against Bosnian Serbs.

Sacirbegovic claimed that of late there was a number of reasons to use air strikes due to alleged safe areas and no-fly zone violations in Bosnia to which the UN failed to act accordingly.

SDP Favors Continued UNPROFOR Presence

AU2806182095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 28 Jun 95

[FBIS Translated Text] It is currently pointless to discuss the UN Protection Force's [UNPROFOR] withdrawal from Bosnia-Herzegovina, because this will happen with or without our consent if the superpowers decide on this course of action. This was stated at today's news conference held by the Social Democratic Party

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[SDP] of Bosnia-Herzegovina. The conference was addressed by the party's Secretary General Karlo Filipovic and Mustafa Resic, member of the party's presidency.

The main question that Bosnia-Herzegovina must answer is whether it favors UNPROFOR remaining or whether it wants to end its mandate. The SDP Presidency has, therefore, submitted an initiative to the Bosnia-Herzegovina Assembly proposing an extensive parliamentary debate on UNPROFOR in Bosnia-Herzegovina, as the state's stance toward UNPROFOR is a crucial question and it cannot be discussed, nor can decisions be made in exclusive circles.

The SDP believes that it is obvious that UNPROFOR has not been implementing its mandate, particularly as regards the delivery of humanitarian aid and the protection of so-called protected areas.

While appreciating all aspects of Bosnia-Herzegovina's situation, the Social Democratic Party believes that conditions need to be created for UNPROFOR's continued presence in the country, with a mandate that will be in the interest of Bosnia-Herzegovina citizens.

Addressing events in Sarajevo and Bosnia-Herzegovina, Mustafa Resic said that the Bosnian Government, as an equal UN member, has not received adequate protection and therefore has the right to demand a new UN project which will be more in the function of humanity and justice. This was stated at today's news conference held by the SDP of Bosnia-Herzegovina.

Karadzic Rejects Cease-Fire, Warns Germany

AU2806143795 Paris AFP in English 1401 GMT 28 Jun 95

[FBIS Transcribed Excerpt] Bijeljina, Bosnia-Herzegovina, June 28 (AFP)—Bosnian Serb leader Radovan Karadzic Wednesday [28 June] stressed his opposition to the presence of any German peacekeeping troops in Bosnia.

"Germany must keep out of the Balkans," Karadzic told AFP after leaving a church in this northeastern Bosnian town, where he was attending a joint religious and military feast day commemoration.

Karadzic also rejected the possibility of a temporary cease-fire in Bosnia. Responding to Monday's European Union call for a four-month cease-fire in Bosnia, he said: "We are not accepting a cease-fire, we want a total cessation of the war," following negotiations.

Bonn decided Monday to provide warplanes to reinforce UN operations in Bosnia in what would be Germany's first armed forces deployment in a European battle zone since World War II. [passage omitted]

The Bosnian Serb leader has already termed the decision "very unfortunate."

"The memory of crimes committed by the Germans during the Second World War remain very vivid in Serb minds," Karadzic said. [passage omitted]

Bosnian Army forces had earlier shelled Bijeljina in a bid to disrupt the Bosnian Serb commemorations. [passage omitted]

Karadzic: Force Muslims To Accept Solution

LD2806173495 Belgrade SRNA in Serbo-Croatian 1636 GMT 28 Jun 95

[FBIS Translated Text] Bijeljina, 28 Jun (SRNA)—Dr. Radovan Karadzic, president of the Serb Republic and supreme commander of the Serb Republic Armed Forces, said today that the Serb Army's next moves will be designed to "force the Muslims to accept a political solution to the war." He was speaking at a meeting with representatives of Semberija and Bijeljina.

Speaking about mobilization measures, President Karadzic said that they have to be respected, especially the ban on alcohol, to enable us with all our might and "at a ferocious pace to defeat the enemy."

According to the Serb Republic president, in their latest offensive against the Serb Republic borders, the Muslims had no military successes in areas of crucial importance to the Serb side.

"Here and there in the mountainous areas, where it does not matter as far as we are concerned, the Muslims had some minor military successes against the Serb Army but they were severely punished for them," the Serb Republic president said.

Speaking about the international community's attitude to the latest Muslim offensive against the Serb Republic borders, President Karadzic said that "the impression is that the international community is waiting for the outcome of the offensive to decide to go for a political solution."

According to the Serb Republic president, the international position of the Serb Republic "improves every time we respond energetically to any serious crisis forced upon us by our enemy."

"Following the last NATO bombing we responded vehemently. The international community realized that the Serbs have to be taken seriously and that they will not permit themselves either to be defeated or humiliated," President Karadzic said, adding that, by the election of Jacques Chirac as president of France and the appointment of Carl Bildt as mediator for

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former Yugoslavia, "certain conditions were created for resolving the crisis faster and by political means."

"The number is growing of those who think that Serb demands must be met and that the situation in the field as well as minimum Serb interests must be taken into account. If this happens we will be prepared to work to end the war for once and for all," President Karadzic said.

Mladic Addresses Troops on St. Vitus Day

LD2806180195 Belgrade SRNA in Serbo-Croatian 0930 GMT 28 Jun 95

[FBIS Translated Text] Bijeljina, 28 Jun (SRNA)—Col. Gen. Ratko Mladic, commander of the General Staff of the Army of the Serb Republic, last night sent a message of congratulations to Serb soldiers, Orthodox clergy, and to the authorities on the occasion of the feast of St. Vitus, the Serb nation's most important spiritual and national holiday, with the wish to celebrate the next St. Vitus Day in peace and freedom in a united Serb state.

The following is the text of the speech General Mladic made at the main St. Vitus ceremony held in Bijeljina:

"As always, all our thoughts go to those who have died in the struggle and I invite you to pay tribute to our dead soldiers and the to victims of the war.

"Ladies and Gentlemen, our Army's feast day, St. Vitus, which we are celebrating in conditions of war for the fourth year, is part of our ancient history and tradition. It reminds us of all those glorious moments in our history since the battle of Kosovo [in 1389].

"Through hard struggle and ordeals and with unselfish help from our people and all its structures as well as the generous help of our mother Serbia and from Montenegro, we succeeded in creating the Serb Republic. Time and again in its history the Serb nation is being forced to fight for its right to exist, for its freedom, independence, and Orthodox religion.

"This is the fifth time this century that we are being forced by an Islamic-Western alliance into a war to defend our centuries-old hearths. The fate of our nation has been forced upon us, we did not choose it. We have been pushed into it. In all previous wars we defended our pride, our honor, the cross, and our freedom. On countless occasions attempts were made to undermine all these values.

"It is the dignity and honor with which we kept emerging from our sufferings and wars that are behind repeated attempts to annihilate us. The same is happening today.

"And St. Vitus Day, that landmark in Serb history, has been of lasting importance in our history and an inspiration for a halo of legends that helped to develop the Serb nation's skills, imagination, and honor.

"St. Vitus Day is known in fact and in folklore as the day of both Serb tragedy and Serb glory. Tragedy because of the manifest dissension and the decline of Serb greatness, and glory because of the unsurpassed defiance of the Serb knights who, though they fell, held back the mighty Arabian sea which threatened to engulf our people and Europe.

"The tragedy which took place on St. Vitus Day makes us one of the recognized nations in the world community to which, apart from the fact that St. Vitus Day singles us out, we belong. We carry something with us in our history which enables us to resist the uncivilized and inhuman inventions of the modern world.

"Precisely because on St. Vitus Day we celebrate our victory and resurgence in spite of the catastrophe, others are unable to understand, nor will they understand, the greatness and meaning of our pride and resistance today. St. Vitus Day itself, in its essence and moral scope and significance, as the cornerstone of our history, indicates the kind of people the Serbs are. We Serbs are quite simply forced to fight because we do not want to trample our pride and dignity and all the St. Vitus days which we have lived through so far.

"St. Vitus Day is rooted in our history and testifies to us on the present-day stage of resistance to subjugation, but many see this as superfluous and incomprehensible. However, we are not drawing the attention of the world to our history in order to be understood, but so that we are not threatened and subjugated out of that ignorance. It will never be possible to subjugate us regardless of the methods which are being used in the attempt, whether they be military, political, or some other covert and base means.

"However, we understand the world, so it is not correct to say, as it often is, that there is no communication between us and the world. This is simply a lie, because the Serbs do not accept false or alien values. Serbs do not abandon their national values although their enemies have countless times throughout history attempted to sever them from these values. Whenever they did not succeed by persuasion, they tried force. As a result of our resolution and determination to remain our own masters, the enemy unfortunately keeps coming back. Hence it seems that only we Serbs understand the origins of the importance of St. Vitus Day in our history.

"Let me recall that many theoreticians have attempted to arrive at a point where they were able to understand

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Serb history, culture, politics, and hence our people. There are few of them who have succeeded in grasping this essence. That is why even today great mistakes are made in the evaluation of how the Serb nation will act at the present historically significant juncture.

"A little more than six centuries separates us from the day when Prince Lazar perished on the Kosovo plain in the battle against the Turks. According to folklore, Prince Lazar blessed his army and submitted himself to the heavenly kingdom defending his fatherland, its faith, freedom, and the honor of the Serb people. It is therefore logical and natural that on this day we remember that famous name of the Serb nation. We have understood the meaning of his sacrifice and drawn the historical conclusions.

"Today we are creating a victorious army and we have not transformed Lazar's death into a blinding myth of sacrifice. We are no kamikazes or ideological slaves who are destroying our people by pushing them into an abyss. We care for every one of our men, and in this respect we have a great advantage over our enemy.

"We must be wise and skillful in everything that we are doing in the name of these St. Vitus day values—honor, faith, and freedom. We are well aware that war is not the only way to create these values. However, if these values come under real threat, as is the case today, war is the only way for us to defend them and preserve them. In our opinion, everything that prevents us from doing this is unjust and something that is being imposed on us. Those who want to annihilate us are not willing to respect our truthful and historic arguments.

"As any other nation in the world, we have the right to live on our own land and in a single state. This right is being denied only to us, the Serbs. It is only in the case of the Serbs that they want to cut our state territory up into pieces and make us an ethnic minority in these new statelets. It is clear to us that this is done only to nations meant to be exterminated.

"In 1941, Germany achieved what they want to achieve today, along the same lines but in a different way and with the help of different mentors. These international power players want to split us, divide us, and weaken the strength we have when we are united.

"That is how yet another great mistake was made. They gave rights to everybody in the territory of former Yugoslavia and they recognized these states. Nobody has had to give the Serbs their state because they already had it. Unfortunately, none of the Serb states are recognized today. The best way to recognize us is by our uniting in a single state. That would be the only way to treat the Serb nation in a just way.

"Everyone in the world, and in the territory of former Yugoslavia as well, has the right to defend themselves and they are even being given help. Only the Serbs are being denied their right to self-determination and everything is being done to annihilate them. The peace-keeping forces which should keep the peace in this area have been brought in to impose it at the expense of our people. They should be neutral, but they are behaving in a biased manner, protecting, helping, supporting and spurring on our enemies not only by political means but also through the provision of military aid.

"The greatest paradox is that the UN represents a military bloc, whose actions and military operations are being carried out under the auspices of the Security Council. Roads are being opened for everyone, enabling and securing unhindered communications with their own people and the world. Blockades and embargoes are being imposed only against the Serbs who are also being prevented from communicating with each other. This is being done to weaken the Serb resistance and our determination to persevere in our mission.

"The Serb nation did not want this war which was imposed on it. It is a defensive war of liberation and, even though the Serbs did not prepare for it, they were ready. The wounds and death pits from the past have awakened the feeling of their being threatened and the need for a resolute struggle for survival. The Serb people have organized their defense and created their army with which they have prevented the planned and prepared genocide, protecting most of the historic Serb territories and liberating most of the occupied territories, and thus creating preconditions for the Serbs to finally set up their own unified state.

"We have suffered many casualties in order to achieve what we have achieved, and these oblige us to preserve our memory of their heroism. They oblige us to make further efforts and engage in the glorious battles which our Army has waged in order to defend the people and establish the Serb Republic.

"Through the trials of war our Army has grown into a respectable military force. It has acquired a rich wartime experience and continues to be ready and resolved to preserve the results which have been achieved and ensure the successful outcome of the war. Soldiers, officers, and the Army as a whole, who so far during the war have demonstrated the highest level of patriotism and readiness for victory and for the crushing of the latest Muslim-Croat offensive, are demonstrating mass heroism. They are aware that, despite all the problems, they must wage this war and end it with a victory and a just peace.

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"Since the Serb nation has been in existence it has not waged a more difficult, complex, and dangerous war against a stronger, better equipped, and better supported enemy. Despite the fact that we have been exposed to numerous trials and tribulations, blackmail, and pressure, we will hold out and emerge as the victors. Efforts are being made to ensure that all resources serve the war to an even greater extent and that all the potential of our people and society is used rationally.

"On this occasion, too, on behalf of all members of the Army who are bearing the burden of the war in the most direct way, I would like to express my thanks to the patriots and sympathizers of our just, defensive war of liberation for their enormous support and help.

"The period ahead is very important, perhaps even decisive for the outcome of this war. The Serb Republic Army and forces of the Ministry of Internal Affairs will do everything they can to create the conditions for, and gear everything important toward, achieving a successful armed struggle and preserving Serb territory, the people, and the state so as to achieve a just peace as soon as possible.

"In this difficult period I expect to see the strengthening of Serb harmony at all levels. The results achieved and the casualties we have suffered oblige us not to allow anyone to weaken our military power and behave according to selfish interests. We must arrange everything and everyone in such a way as to put everything into the struggle. We will only achieve a just peace if we are in agreement and convinced of the just nature of the struggle.

"I would like us all to act together because we are obliged to do this by the casualties suffered from Kosovo to the present day. The world will then understand the purpose of our struggle and the senseless nature of the war which it has imposed on us.

"With faith in our harmony and victory, I hope that we celebrate the next St. Vitus Day, a great holiday for the Serb people, in freedom and peace and in a single Serb state.

"Long live the Serb Republic Army!

"Long live the Serb Republic!"

Blasts German RRF Involvement

AU2806121995 Vienna Oesterreich Eins Radio Network in German 1000 GMT 28 Jun 95

[Report by Fritz Pesata and Karl Jekowski, including recorded statements by General Ratko Mladic, "military leader of the Bosnian Serbs," and Radovan Karadzic, "political leader of the Bosnian Serbs"]

[FBIS Translated Text] Today is St. Vitus Day, the day on which the Serbs commemorate the devastating defeat at the hands of the Turks in the Battle of Kosovo more than 600 years ago. The biggest celebration on this occasion was held last night in Bijeljina, an industrial city some 170 km northeast of Sarajevo by road, on the border with the remainder of Yugoslavia.

The state and military leadership of the Bosnian Serbs participated in a grand ceremony: Successful brigades receive medals and flags, and young men are kissed by President Radovan Karadzic and his commander in chief, General Ratko Mladic.

Mladic, who was lately virtually absent from public life, gave a short interview to several journalists. He did not say a word about the current military situation, but indulged in philosophical statements about peace and, above all, he voiced lots of criticism of the international community of states. The general launched a particularly strong attack against Germany and its decision to participate in the Rapid Reaction Force [RRF].

He said that this German participation is the biggest German stupidity in history, and something he, Mladic, cannot understand. He added, quote: Wherever the Germans were, there was no peace. Mladic, who lost his entire family in World War II, sarcastically adds that should the Germans come, he would welcome them with hospitability. He said that claims of differences between himself and President Karadzic are willful imputations.

He then underlined, in many words, his will for peace, noting that there was room on Serbian territory for all those who want peace:

[Begin recording, in Serbo-Croatian with superimposed German translation] We must find a way to create peace. Peace is most important for people. There is no room here for those who were waging wars in Indochina, Vietnam, and Africa, producing walking corpses. We do not need mercy, but wisdom; we need honest people, not Mafiosi. [end recording]

Asked abut further developments in Bosnia, President Karadzic also made a short statement. He does not think that a new cease-fire is currently on the agenda:

[Begin recording, in English with superimposed German translation] We do not accept any more cease-fire agreements, but only a peace agreement that ends the war for good. During the conference, we can then discuss territorial and political questions. A cease-fire

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agreement that is limited in time is simply no longer acceptable to us. [end recording]

Karadzic would not say, however, how he thought one could achieve a peace agreement without a preceding cease-fire agreement.

Ninkovic Says Serbs Militarily Invincible

LD2806203695 Belgrade SRNA in Serbo-Croatian 1936 GMT 28 Jun 95

[FBIS Translated Excerpt] Doboj, 28 Jun (SRNA)—Milan Ninkovic, defense minister in the government of the Bosnian Serb Republic, stated today during a tour of a special purposes' industrial facility in the Doboj region, that "Serbs from all over the world are proud of the Serb Republic Army," and that "the greatest military strategists in the world have recently been silent and confused."

Ninkovic stresses that in just a few days, the Serbs crushed the biggest enemy offensive on Serb Sarajevo and that "it is impossible to defeat them militarily, as those aiding, abetting, and financing the enemies of the Serbs believe."

"It is superfluous for us to insist now, for the umpteenth time, on political negotiations," Ninkovic stresses, adding that "this should finally be clear to all sides, both to the enemy and to those who perceive their interests as lying in the conflict and are thus prolonging the war and bloodshed."

Addressing members of the Bosnian Serb Republic Army on the occasion of St. Vitus Day, Minister Ninkovic stressed that "in view of the fact that the enemy cannot defeat us, we believe that it now has one last chance to resolve the issue of lasting peace through negotiations and save what can be saved." He added that "every war in history ends with an agreement between the warring parties and the signing of a lasting peace." [passage omitted]

Herzeg-Bosnia Assembly Calls For RRF Delay

AU2906064195 Paris AFP in English 2347 GMT 28 Jun 95

[FBIS Transcribed Text] Zagreb, June 29 (AFP)—Bosnian Croats called Wednesday for deployment of the Rapid Reaction Force [RRF] to be postponed until the Croat-Moslem federation had given the go-ahead.

The Bosnian Croat "parliament" said British and French troops already in place should withdraw within respectively four and 30 days and the arrival of the remaining troops should be delayed.

The assembly of the self-proclaimed Herzeg-Bosnia Croat Republic (HR of Herzeg-Bosnia), backed by Zagreb said that before it could de deployed the RRF needed permission to do so from the Croat-Moslem federation.

"In view of the arrival without permission of elements of the RRF, the 'parliament' had decided to call for its deployment in the territory of the HR of Herzeg-Bosnia to be postponed until such time as the nature of its mandate, its make-up, its equipment, its deploment agenda, and the duration of its presence are known," a communique said.

"Leaders of the UN and the UN Protection Force [UNPROFOR] must answer if they are sending these troops into the HR of Herzeg-Bosnia, the (Croat-Moslem) Bosnia-Herzegovina Federation or the Republic of Bosnia-Herzegovina," the Croatian assembly said.

The RRF set up mainly by France and Britain—the countries with the most troops in Bosnia—immediately encountered reticence in Sarajevo, Zagreb, and in Bosnian Croat areas.

Bosnian President Alija Izetbegovic has forbidden RRF units from moving further than Gornji Vakuf, a town about 150 kilometres (90 miles) west of Sarajevo by road.

On Tuesday, an aide to Croatian President Franjo Tudjman said the RRF should not be deployed before its mandate was clearly defined. Tudjman's depty chief of staff Vesna Skare-Ozbolt said the RRF should be used for surveillance of Croatia's international borders—a task which UN troops have been unable to do properly because of hostility from Croatian Serbs.

Approves Official Appointments

LD2806231895 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 28 Jun 95

[FBIS Translated Excerpt] The chamber of deputies of the Croat Republic of Herzeg-Bosnia has been in session for two days. Here is a report by Ivan Kristic.

[Kristic] The chamber of deputies of the Croat Republic of Herzeg-Bosnia today approved the proposed changes in the government of Herzeg-Bosnia, a move which completes the government reshuffle.

Pero Markovic was elected deputy prime minister of Herzeg-Bosnia. His portfolio will be reconstruction, the return of refugees, and demographic renewal. Bozo Rajic is the minister of renewal and development, while Zulfo Robovic has been elected as minister of construction, urban planning, and the environment.

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The changes in the government of Herzeg-Bosnia were initiated by the presidency of the Bosnia-Herzegovina Croatian Democratic Union [HDZ] in its desire to see leading people in the party gain entry into executive positions. These changes were also supported by the presidential council of Herzeg-Bosnia. [passage omitted]

TANJUG Views Bosnian Croat Activities

LD2806230695 Belgrade TANJUG in English 1957 GMT 28 Jun 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, June 28 (TANJUG)—Bosnian Croats passed a number of laws on Wednesday [28 June] to strengthen their state of Herzeg-Bosnia, causing the dissatisfaction of their Muslim partners in the binational federation in Bosnia.

Croatian radio said that the Bosnian Croat parliament, sitting in the city of Mostar, had passed a number of bills to round off the political and economic system of Herzeg-Bosnia.

Muslim Radio Sarajevo said that the adoption of the laws violated an agreement signed between the Bosnian Croat and Muslim leaderships in Bonn, which envisaged that the binational federation would become operational by June 15 at the latest. Under the agreement, Herzeg-Bosnia should cease to exist at the same time.

Croatian radio said, however, that the Bosnian Croat parliament was discussing also streamlining the Herzeg-Bosnia government to capacitate it to deal with the demands of the times and become more efficient.

After more than a year of fierce fighting, Bosnian Muslims and Croats, acting under heavy pressure from Washington, agreed in Washington in March 1994 to create the Muslim-Croat Federation in Bosnia. The accord has not yet been translated into practice.

Muslim Radio Sarajevo said that 11 municipalities in the binational federation still did not have transitional bodies of power. The radio said that Bosnian Croat and Muslim Federation officials had met with German mediation in Zenica, Central Bosnia, on Tuesday, but failed to surmount difficulties which had prevented the bodies from being constituted.

The meeting was held between the federation's president Kresimir Zubak, a Croat, and Vice President Ejup Ganic, a Muslim, and mediated by Christian Schwartz Schilling of Germany, mediator for the setting up of the federation.

The radio said that the municipalities of Zavidovici, Vares, Kresevo, Prozor, Capljina, Stolac, Jablanica, Konjic, Bugojno, and parts of the municipalities of Teslic and Doboj had not set up transitional bodies of power. The deadline for this was June 1, under agreements signed in Bonn and Mostar, the radio said.

The municipalities have not appointed deputies to the cantonal aesemblies, preventing the setting up by the June 15 deadline of cantonal bodies of power in three cantons—the Zenica-Doboj, Neretva, and Central Bosnia cantons.

The federal partners are blaming each other for this.

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UN: Resumption of Zagreb-Knin Talks Unlikely

AU2806195095 Paris AFP in English 1904 GMT 28 Jun 95

[FBIS Transcribed Text] Zagreb, June 28 (AFP)—A resumption of negotiations between Croatian authorities and rebel Serbs, scheduled for Friday [30 June], is unlikely, a UN spokesman said here Wednesday.

Special UN envoy Yasushi Akashi had said after talks in Knin, the rebel Serbs' stronghold, earlier this month that a first contact between the two sides since Croatian Government troops recaptured Serb-held western Slavonia May 1-2 would be held before the end of June.

UN spokesman Christopher Gunner said both sides had been given an opportunity to meet again. But he added: "If the parties themselves decide to raise the tension, not to cooperate with the military and the political aspects of our mandate, there is very little that UN can actually do."

Tension continues to run high at the front line between the Croatian Army and the Serb forces in the Krajina region.

The rebel Serb "president" Milan Martic meanwhile said Serbs refused to be treated like slaves by the Croatian Government, the rebels' news agency ISKRA said. "We are not offered peace but slavery and an insecure existence," he said, adding: "Krajina cannot negotiate when its borders are continuously under attack" by the Croatian Army.

Letter Details FRY Involvement in Krajina

LD2806203295 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 28 Jun 95

[FBIS Translated Text] The head of the office of the president of the Republic of Croatia and head of the UNCRO [UN Confidence Restoration Operations] mission has sent a reply to a letter written on behalf of Yasushi Akashi, the special envoy of the UN Secretary General, by Bernard Janvier, the commander of UNCRO forces. The following is the text of the reply letter:

It was with great surprise that I received your reply in which you said that you had no information about the deployment of troops and heavy weapons from the Federal Republic of Yugoslavia in the occupied areas of the Republic of Croatia, all the more so since we are talking here about large amounts of military hardware and a considerable number of combat units. Your Excellency, I am therefore sending you the dates of the arrival of reinforcements sent in June from Yugoslavia to the occupied areas of the Republic of Croatia. The list contains the number of troops, both those mobilized and volunteers, weapons, and heavy equipment. The details, also attached, about senior officers indicate that these are officers from the ranks of the Army of Yugoslavia occupying the most responsible positions in the brigades and corps of the so-called Serb Army of Krajina.

Throughout June the troops and hardware were moved along the following route: Sremska Raca corridor-Bijeljina-Banja Luka-the occupied areas of the Republic of Croatia. I hope that these details will help you to learn more about the strength of the military reinforcements sent to so-called Krajina during June alone.

The Republic of Croatia rightly expected UNCRO to be more efficient and not to base its activities on the ignorance of generally known facts which do not require a special intelligence service to be detected. These reinforcements are a clear indication of the intentions of both the Belgrade regime and rebel Serbs of Knin. If we wish to establish peace in this region, and it seems that we all want it, it is a matter of urgency for UNCRO to carry out its mandate in line with the existing UN Security Council resolutions which call for the deployment of UNCRO along Croatia's internationally recognized borders, Hrvoje Sarinic said in conclusion of his letter to Yasushi Akashi.

Attached to the letter to Yasushi Akashi are the following lists of the Army of Yugoslavia reinforcements sent in June to the occupied territories of the Republic of Croatia:

- In the period between 12 and 19 June, 26 M-84 tanks, 10 APC's [armored personnel carriers] and rocket rounds for MI-8 helicopters arrived in Banovina, Slunj, and Udbina from Valjevo and Nis.
- In the period 4 to 17 June, about 4,000 mobilized Croatian Serbs and over 1,000 volunteers were sent from Serbia to Vukovar, Sodolovci, Batnoga, Slunj, and Plasko.
- The following senior officers of the Army of Yugoslavia have also been sent to the occupied Croatian territories: Colonels Slobodan Tarbuk, Uros Despotovic, Milivojevic, and Milorad Stupar; Lieutenant Colonels Vucekovic and Milos Cvjeticanin.

RSK President Addresses St. Vitus Day Parade

LD2806201795 Belgrade SRNA in Serbo-Croatian 1928 GMT 28 Jun 95

[FBIS Translated Text] Slunj, 28 Jun (SRNA)—Krajina cannot take part in peace negotiations in a situation in which its borders are being attacked every day, its

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villages are being bombed, and everything is being done to force it to surrender, Milan Martic, president of the Republic of Serb Krajina [RSK], said at a St. Vitus Day parade held in Slunj.

Addressing those present, Martic recalled the past years of the war which brought destruction to Krajina, suffering to its civilians, and devastation of the Serb land. He warned that even today slavery and uncertainty are being offered to Krajina instead of peace.

"The Serb nation did not capitulate even when faced with a stronger enemy so it will not do so now when it is faced with the Ustashas," Martic said.

He also said that despite all efforts to exterminate them in this region, the Serb people have managed to defend themselves and to set up their state, army, and police.

"That is the most important thing," Martic said, "despite the unprecedented international witch hunt, in the shape of extremely inhuman sanctions and the blockade as well as a horrifying media campaign, we have managed to preserve something resembling normal life."

In conclusion, Martic recalled the tragic experience which we should be aware of and said that the fascist Croatian regime must not be allowed to erase the traces of the existence and 1,000-year-long Serb presence in the region.

Announces Paris Office

AU2806172495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 28 Jun 95

[Report by Nada al-Issa from Zagreb]

[FBIS Translated Text] [Announcer] [Croat Serb leader] Milan Martic today announced via Radio Knin that the so-called Republic of Serb Krajina [RSK] would open an office in Paris on 1 July. The Croatian ambassador in France has already demanded an explanation from Elysee Palace. Nada al-Issa has the details:

[Begin al-Issa recording] Serbian radio stations in occupied Croatian areas today are claiming with a self-satisfied air that this will be the first international recognition, so they claim, of the so-called RSK. We have learned from Croatian diplomatic circles that the request has reached Paris directly from Belgrade. Involved in all this is (Patrick Bariot), a French citizen and former UN Protection Force physician in occupied Glina, who has been appointed representative of the so-called RSK. Croatian ambassador to Paris, Branko Salaj, has already asked for an appointment in the Foreign Ministry so that he can be given an explanation. It is, however, surprising that France still has not officially reacted although only three days remain until the opening of the so-called RSK Paris office.

Croatian journalists in Paris, who demanded an explanation from certain French politicians, have been told to wait. Zagreb maintains that this will not happen, or should not happen, as France has on several occasions stressed the need to maintain the territorial integrity of the Republic of Croatia.

Sitting in Knin, Martic himself is probably aware that his pseudostate will never be recognized; the publicity surrounding the opening of the Knin office in Paris is just a propaganda ploy designed to raise the morale of the population, which is sinking into ever greater poverty since all funds are being spent on the war in Bosnia and the army, which is suffering immense losses, particularly on the Bihac front. This especially applies to the so-called 21st Kordun Corps and (?39th) Banija Corps, which have lately sustained immense losses.

The same objective is the reason for today's military parade being held in Slunj. We have learned that the arms being paraded today originate almost entirely from the so-called Yugoslavia and have arrived via the Bosnian border. The opening of the so-called RSK office in Paris has been invented in order for everything to look more plausible; everything is geared toward general mobilization and propaganda because if the international community were to recognize a pseudostate it would destroy the basic norms in relations between the states it itself created. [end recording]

New 'Krajina' Missile Displayed in Parade

LD2806204795 Belgrade TANJUG Domestic Service in Serbo-Croatian 1922 GMT 28 Jun 95

[FBIS Translated Excerpt] Knin, 28 Jun (TANJUG)—As part of the St. Vitus Day celebrations, a corps of special Republic of Serb Krajina [RSK] units was formed today at the military testing range near Slunj in the presence of RSK state, political, and military leaders and representatives of the Serbian Orthodox Church headed by Nikanor, bishop of Upper Karlovac.

Prior to a march-past and parade by members of these units, Milan Martic, RSK president and supreme commander of the RSK Armed Forces, in the presence of Lt. Col. Gen. Milan Mrksic, commander of the Krajina Army, presented military flags to units in the special forces' corps. [passage omitted]

The attention of the citizens and guests, including Manojlo Milovanovic, chief of General Staff of the Bosnian Serb Republic Army, was also attracted by a missile called "Krajina" or "K-15," manufactured by

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designers, engineers, and workers from Krajina, and which has a range of 150 km.

Milan Martic, RSK president and supreme commander of the RSK Armed Forces, spoke at the St. Vitus Day parade of the Serb Krajina Army held at the Slunj testing range. He stressed that Krajina is committed to peace and negotiations in order to resolve controversial questions.

However, he stressed that there can be no peace negotiations when the borders of Krajina are being attacked every day and its villages shelled, and while attempts are being made to cut vital roads to force Krajina to surrender.

War or peace depends least of all on us, Martic concluded, and stressed that "if we are offered a just peace we will accept it."

At today's celebrations, several Serb Krajina Army officers were promoted.

Serbs Claim Zagreb Forcefully Mobilizing Serbs

LD2806131595 Belgrade TANJUG in English 1240 GMT 28 Jun 95

[FBIS Transcribed Text] Belgrade, June 28 (TANJUG)—The Croatian authorities are forcefully mobilizing Serbs from Gorski Kotar, a region in western Croatia, into the regular Croatian Army and Bosnian Croat troops, the association of Serbs from this region living in Belgrade said on Wednesday.

"Since May 6, 1995, in the region of the Serb communes Gomirje, Srpske Moravice, Jasenak, Dreznica, and Gogrnja and Donja Dubrava, Serbs have been forcefully mobilized into units of the Croatian Defense Council from Bosnia-Herzegovina and into the regular Croatian Army," says a message sent to top UN officials, the International Conference on the Former Yugoslavia, and the Federal Republic of Yugoslavia.

The message claims that "the mobilization is conducted by night, with the forceful entry into the homes of local residents" and that such conduct greatly disturbs the Serb population of Gogrski Kotar and creates fears of a repeat of the massacre which occurred in western Slavonia.

The association of the Gorski Kotar Serbs warns that this is yet another attempt by the Croatian authorities to pressure the Serb population of Gorski Kotar to abandon their ancestral homes and that, if those who were mobilized are not allowed to immediately return home, "the entire decimated Serb population of Gorski Kotar would leave, thus completing the ethnic cleansing of the last Serb enclave in Croatia."

The message said that this mountainous region is now populated by about 6,000 Serbs and that, after the start of the conflict in the territory of the former Yugoslavia, "the unarmed people in this region remained cut off and surrounded by about 20,000 Croatian troops."

The message said that in 1992 Croatia "undertook the obligation not to mobilize the Serb population of Gorski Kotar for a war in the territory of Bosnia-Herzegovina and the Republic of Serb Krajina."

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Walesa on Coming Election, Presidency

WS2806143395 Warsaw NOWA EUROPA (Weekend supplement) in Polish 23 Jun 95 p III

[Interview with President Lech Walesa by Wiktor Moszczynski and Zdzislaw Zaryczny; place and date not given: "A Candidate of Balance"]

[FBIS Translated Text] [NOWA EUROPA] It seems the presidential campaign will be a fierce rivalry between the post-Solidarity camp and representatives of the Polish People's Republic, as well as a bitter debate over the past. Can this be avoided? Are we doomed for a battle that will revive and deepen divisions from a past era? Why are you, as "the president of all Poles," not doing anything to temper that tendency?

[Walesa] It is true that despite the six years that have passed since the overwhelming victory of Solidarity that marked the beginning of a transformation of the system and our return to the family of democratic, sovereign states, the lines of division related to our attitudes toward the past, distant and recent alike, have not disappeared at all. Of course, this is not only an argument about the past. It also pertains to the future model of the state, and here the dividing lines are more than history alone. Attitudes toward the former People's Republic do, however, make all divisions and differences appear more visible. There are many reasons for that. After the euphoria of victory in 1989, we lacked imagination, I guess. No one expected at the time that the pendulum of social attitudes might swerve in the opposite direction so suddenly.

[NOWA EUROPA] Why do you think they swerved?

[Walesa] First of all, it was a consequence of the huge price our society had to pay, and continues to pay, for the unavoidable economic reforms. High hopes pertaining to the reform of the system were impossible to fulfill over a short period of time. New, hitherto unknown phenomena appeared, such as unemployment. The material condition of many families worsened; the sense of social security vanished. Lost in a new reality, often helpless in the face of the brutal laws of the market, people began missing their safe poverty, which was equally distributed under the old system. No, this does not mean they missed communism with the doctrine that was always alien to the Poles. The benefits of the new system, freedom, democracy, open borders, and well-stocked shelves in stores, are now appreciated too deeply for anyone in Poland to consider giving them up. The improving standard of living still remains the main indicator of social satisfaction and approval for the trends of economic transformations. Unfortunately, the group of those who benefited from the reforms is still too small. Despite Poland's obvious economic success on the macro scale, many Poles have still not felt it directly in their households and families. On the contrary, what they do see are huge fortunes which are often amassed illicitly. They see the threats that the reform of the system has brought with it. Therefore, I have always advocated mass enfranchisement so that people could see personal benefit in the reforms.

[NOWA EUROPA] One of the beneficiaries was certainly...the Left, which came out with the slogan "It no longer has to be this way" in 1993....

[Walesa] But it had to, as was already an acknowledged fact by that time, unlike in the primary stage of the reforms. Those unrealistic promises compelled a huge number of Poles to vote for the Left. It should be remembered, however, that the Democratic Left Alliance [SLD] entered the elections as a huge bloc, relying on its well-preserved structures from the past. The Right, meanwhile, divided and quarreling from the very start, was incapable of uniting even in the face of imminent danger. I begged, I pleaded: "Stop quarreling over platforms, go to the elections jointly." But they did not heed me. Each of the leaders on the right was sure his grouping would win. Now they have what they asked for. Seeing where things were going, I tried to save the situation. I came forth with the idea of forming a supraparty grouping which would focus on the most important issues of the country. The result was the establishment of the Non-Party Bloc in Support of Reforms, but it did not have enough time to grow into a strong movement. It did, however, manage to seat several of its own deputies in parliament, unlike the parties on the right which wasted more than 20 percent of votes. I do not see that they have learned a lesson. The last two years do not seem to have taught the Right much; it remains dispersed.

[NOWA EUROPA] Paradoxically, Poland has a huge constituency on the right which is no longer willing to lend its support to the same leaders, continually in conflict with each other. The political class seems to have forgotten what its mission is. You can see this in other areas. Our elites, for example, have not stood up to the test and failed to prepare the citizens for an era of historical compromise.

[Walesa] One attempt at reaching such a compromise was the so-called thick line [phrase coined by former Prime Minister Mazowiecki in reference to cutting ourselves from the communist past]. Coming to power, we felt strong enough to realize that the kind "gesture" toward the communists would soon turn against us. That instead of humility and self-examination it would bring arrogance and attempts at reinstating old methods

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of governing. I was also for the "thick line" and against collective responsibility. After all, you cannot simply push more than two million people and their families beyond the pale. Only then would they become really dangerous to the state in their despair. The nomenklatura, however, is different. I believed from the very start that all the apparatchiks should be squared with and that they should be held politically, and, if applicable, also legally, responsible, especially as they are not very keen on coming clean themselves. We owe it to all those hurt by the previous system. They have to receive some moral compensation. Despite the charges that have been brought against me, I have never been against reviewing files [lustracja]. [Former Interior] Minister Macierewicz's suggestion, however, was unacceptable on the grounds that it was not carefully prepared and very unjust.

[NOWA EUROPA] The "thick line" is currently idealized and is viewed as extending a hand toward a new future for all.

[Walesa] It turns out this was a mistake. The fact that the postcommunists are so arrogant these days and are trying to reinstate the old order is due to the fact that they were never called to account for the past after our victory. People of the old guard once again felt strong and confident, as if nothing happened in 1989. Thus, in the face of the expansionism of the postcommunists, these divisions had to become more visible. Their main axis is the attitude toward the recent past. And this is not an issue of history. It is also about our present and future. A new constitution is being drafted, new laws are being laid down. Many laws that will be in effect in the future are deeply rooted in attitudes toward the past and the values it instilled. Answering your first question, it is impossible to completely do away with differences from the past in the name of "let us love and forget." There is an ongoing debate on the model of the state and many people have still not been compensated for sufferings under the old system. The SLD chairman's "I am sorry" is not enough for all those who paid a huge price for maining their loyalty to independence and democratic ideals.

[NOWA EUROPA] The last few months brought a drop of Poland's international political ratings, caused by the cabinet crisis, threats of the dissolution of parliament, and conflicts pertaining to the Constitution. You very often took sides in those events, initiating conflicts and carrying out personnel changes. Was it really necessary and justified by the interests of state? What good did it do Poland?

[Walesa] Gentlemen, what do you mean by "international ratings"? You must clearly differentiate between what the press, not always well-disposed toward us, writes and political analyses. I do agree that Poland is no longer viewed in the way it was at the height of the fight against communism. Yet we continue to be viewed as a stable state, a country with a growing economy, and as a credible partner for foreign institutions. The opinions of the press are by their very nature subjective and do not necessarily reflect reality truthfully. Development of the Polish political scene over the last few years is a natural lesson in the democracy and pluralism we are all learning about. The new system in Poland is only emerging; new structures are being formed, the debate on the model of the state is still going on. I do not treat a change of government, for example, as something extraordinary. Look at Italy, at what is going on there, and they have been learning democracy much longer than we have....

[NOWA EUROPA] Your actions, threats addressed to parliament, etc. were sharply criticized by politicians and journalists, not only those affiliated with the governing camp....

[Walesa] No one can charge me with violating the law or exceeding my authority as president. This is what should be judged, and not speculations carried by the press about "what if...." I will not hide the fact that the current parliament is not my parliament. Yet even if I do speak of dissolving it, it is only within the confines of the law. Constitutional disputes? They do exist. This is due to the shortcomings of the Small Constitution which was prepared in haste and thus contains many loops and allows for various interpretations. Conflicts arose for exactly those reasons, particularly when it came to distributing power among the top state authorities. Lawyers usually differed in opinions as well, for example on the issue of the bill on the National Radio and Television Council. I know I have been criticized for my actions. I always said, however, that I would not be a ceremonial president that only pins on medals; that I would not passively watch the country disintegrate; that I would jeopardize all party and group interests for the sake of Poland; that I would enforce changes wherever necessary, even if I had to do it despite those for whom stagnation was convenient and beneficial. I took action that was provocative and showed the loopholes in our legislative system. The effect was an acceleration of the necessary transformations.

[NOWA EUROPA] You often stressed you wanted to be a president of balance. Meanwhile, in popular opinion, that "balance" as you understand it is associated primarily with conflicting some groups with others, biased promotions, intrigue. Why did you allow such associations to exist? Why have you done practically

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nothing over the five years in office to help the Polish right consolidate?

[Walesa] Yes, I did want to be a president of balance. Some blame me for breaking up Solidarity. I believed, however, that we should not destroy what we fought for: democracy and pluralism. It was impossible to replace the old, communist monopoly with a Solidarity monopoly. We would then have exactly the same thing, only under a new name. Besides, divisions were unavoidable. While we fought, we had a common cause; in the period of construction we had to split in discussions on the present and future shape of Poland. I did not think, however, that the Right would disintegrate that deeply and fall apart; that dozens of small parties would emerge differing only as to the ambitions of their leaders. As I said, before the elections of 1993, I warned the Right, I pleaded with it to unite, but to no avail. The conflicts are still there. In hindsight I do realize, however, that you need a political backdrop if you want to be an efficient president, especially when parliament is dominated by your opponents.

[NOWA EUROPA] Over the last two years, your presidency has been compared by journalists with the French model of cohabitation, pragmatic cooperation between the president and parliament, despite their political affiliations.

[Walesa] Please do not give France as an example. The two are incomparable. Causing conflicts between political parties? You probably mean the criticism of supporting the Left. I did do that, under specific circumstances and at a specific time, for reasons I have already explained. Please remember what the composition of parliament and the government was at the time, we had a huge majority. I am now being blamed for this or that, yet back then it was really possible to settle many issues in parliament to our and the state's benefit. And what was the Right doing at the time? I did not wish for the collapse of Hanna Suchocka's government. We have a democracy, and the voting card decides how the deck is dealt. No matter what I would have done to help save the parties on the right, they themselves did far too little to gain the support of a majority of voters.

[NOWA EUROPA] If the National Assembly in its current composition passes the new constitution, and the effect of the referendum is positive, will you, as president, approve it?

[Walesa] How do you know the result of the referendum will be positive? I do not know. I cannot imagine the Constitution being representative for one political option. It will definitely not come to that. The most important state document must comply with the will of the majority of the nation. Therefore, I am calm. I trust that the values Poles most cherish will be reflected in the Constitution. I will certainly approve such a constitution.

[NOWA EUROPA] The president we elect for 1995-2000 will face the extremely difficult task of heading negotiations on Poland's joining the EU and NATO. Who is best fit for the job? A candidate of the governing parliamentary majority, a candidate of the opposition, or a candidate above all divisions?

[Walesa] NATO and the EU will primarily consider whether Poland meets all the requirements needed to join those structures. That is the top priority. I do think, however, that it will be important whether the state is headed by someone whose entire life confirms his devotion to the values of the democratic world, or a postcommunist whose ideological roots were until recently to be found in communist doctrine. Our phrase of "above all divisions" is devoid of any meaning for these structures.

[NOWA EUROPA] Lech Walesa was always known for his manly decisions. For several weeks now, however, there have been certain doubts and implications on the issue. What is the truth? Do you intend to run for reelection?

[Walesa] I have not yet made any final decision. I am meeting with people, I want to sound out their moods because I know I would have to have a political backdrop if I were to be an effective president. I am more and more deeply convinced that the values I identify with have many devout followers among Poles. I also know that regardless of what decision I make, it will be met with various comments. If, for example, I did not stand and fight, people would say: Yes, he has made a mess of everything and left.... I believe that one strong candidate from the Right should run in the elections so as to effectively oppose the postcommunists. For the time being, I have been observing the developments on the right of our political scene, which is to come forth with its own candidate. We shall see, anything can happen. The campaign has not yet started "full swing," we do not even know the date of the elections. You are talking of manly decisions, but for me a manly decision is a thoughtful and responsible one.

[NOWA EUROPA] Whom would you like to win the elections with, providing you decided to run in the end? Who do you count among your political friends and allies?

[Walesa] Today I would gladly seek allies among all those who see Polish interests in conservative, national,

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and religious values. Among those who see the Polish state interest to be the strengthening of democratic, independent processes and the market economy, without losing sight of the ordinary man. Among those who see our membership in European structures of security and economic cooperation as a priority. And among those who want to live in an integrated Europe of "small homelands" that would retain the right to their own identity.

[NOWA EUROPA] What type of president does Poland need most at present? A president-arbiter? A president-European? A president for all Poles? President Lech Walesa?

[Walesa] A president who would safely and successfully lead Poland through the difficult transformation of the system. One who, upon leaving office, could say he is leaving Poland as an independent, democratic, stable, safe, strong, prosperous state that is a part of the European structures and cooperates with other states as a partner. A country that is respected internationally. Time will show who that president will be....

[NOWA EUROPA] Mister President, thank you very much for the interview.

UW Criticizes Anti-Kwasniewski Movement

WS2906081695 Warsaw GAZETA WYBORCZA in Polish 28 Jun 95 p 2

[Article by "DOM": "Rokita's Initiative Criticized: Quarrel in the Freedom Union"]

[FBIS Translated Text] During yesterday's session of the Presidium of the Freedom Union [UW], Chairman Leszek Balcerowicz and Jacek Kuron, candidate for president, criticized Jan Maria Rokita.

Rokita is considered as the author of the Three-Fourths Initiative, the main purpose of which is to prevent a victory by Alekksander Kwasniewski. Its founders declared that in the first round they will not support any candidate and will focus on criticizing the Democratic Left Alliance [SLD] leader. Then, in the second round, they will cast their votes for any post-Solidarity candidate.

Yesterday a part of UW Presidium recognized the Three-Fourths Initiative as an attempt on the part of the UW's right wing to distance itself from the party's official candidate. Kuron, who has already criticized in public the Krakow initiative, said that if he is not supported by all UW members, then he will withdraw. Rokita defended himself, saying that the Three-Fourths Initiative has not been officially created yet and that it includes more than the sole purpose of blocking a Kwasniewski victory.

UW will call on its members not to join the Committee of 100 of Czeslaw Bielecki and Andrzej Olechowski. "It is not known whom the Committee will support in the presidential elections," we were told by UW Spokesman Andrzej Potocki. A few UW activists from the former Liberal Democratic Club [KLD] have already joined the committee.

Germans Promise Explanation of Border Incident

LD2806200695 Warsaw PAP in Polish 1547 GMT 28 Jun 95

[FBIS Translated Excerpt] Warsaw, 28 Jun—The German side is investigating all of the factors concerning the incidents that took place in Frankfurt an der Oder on 24 June. After examining all of the circumstances of the incidents, the German authorities will make an announcement stating their official position on the issue, Johannes Bauch, ambassador of the Federal Republic of Germany, said at a meeting with Deputy Foreign Minister Stefan Meller on Wednesday.

The ambassador also said that the matter will be discussed by the Bundestag Internal Affairs Commission on the same day.

After the detention by the German police of a group of 300 Poles near Frankfurt an der Oder last Saturday, Bauch was summoned to the Foreign Ministry on 26 June. Meller delivered his firm protest over the inadmissible manner in which the Poles were treated and said that the Polish side expects an immediate explanation from the German authorities. [passage omitted]

Sejm Passes Law on Defense Ministry Hierarchy

LD2906100895 Warsaw Third Program Radio Network in Polish 0900 GMT 29 Jun 95

[FBIS Translated Excerpt] The Sejm has rejected the president's veto to the Law on Radio and Television. [passage omitted]

The Sejm also passed the Law on the Office of Minister of National Defense. The law rules that the chief of the General Staff will be subordinated to the civilian head of the ministry and not to the president.

Military intelligence services, that is intelligence and counterintelligence, will also be subordinated to the minister. It may be expected that President Lech Walesa will veto this law. [passage omitted]

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Draft Law on Compensation, Investment Funds

WS2806140195 Warsaw RZECZPOSPOLITA in Polish 28 Jun 95 p 10

[Article by "A.K.K.": "Compensation Funds; Another NFI Program"]

[FBIS Translated Text] The National Investment Funds [NFI] program already has a successor. Experiences from its establishment and implementation will be used to create compensation funds. Compensation vouchers, which would be convertible for shares in these funds, would serve to meet the claims of a number of pensioners and part of the budget sector, resulting from rulings of the Constitutional Tribunal. This refers to two verdicts already mentioned in the NFI Law and their privatization of 30 June 1993, and the verdicts of 30 November 1992, 19 October 1993, and 10 January 1995.

On Monday, the basic provisions of the draft law were approved during the joint session of the Economic Committee of the Council of Ministers and the Sociopolitical Committee of the Council of Ministers, although divergencies between the committees remained. They refer, among other things, to taxes on compensation certificates. There were also differences of opinion as to the entity responsible for distributing compensation certificates. The Ministry of Privatization [MPW] would like enterprises to be responsible for distribution to authorized personnel in conjunction with MPW and the Ministry of Labor and Social Policy [MPiPS]. The Social Security Agency, in cooperation with MPiPS and the Polish Post Office, would distribute certificates among pensioners.

The funds would be established—if the MPW proposal is approved—as joint-stock companies, in the possession of the State Treasury. The minister of privatization would execute the rights of founder and shareholder in these funds. The book value of one fund would not exceed 500 million zlotys.

The State Treasury would make cash contributions to these companies (needed to register the fund) and—perhaps—also money from the privatization fund (the establishment of which is provided for in the NFI Law) and noncash contributions.

Noncash contributions are 25 percent of shares or stocks of companies participating in the NFI program and shares of other companies in the possession of the State Treasury, and one fund would have a maximum 33 percent of shares in one company—including shares stemming from future privatization undertakings. It is possible to contribute packets of shares to the funds—e.g., from companies in the so-called sector funds, the concept of which is being elaborated by the Ministry of Industry and Trade.

Cash and noncash contributions would be used to cover the share and reserve capital and could be contributed by the State Treasury until the time when it would be the sole shareholder in the fund. As in the case of the NFI, the fund's board could conclude an agreement on the management of the fund with the managing firm. There is also another possible solution—the possibility of making the board a legal entity.

The method of contributing shares would be different—that is, details would be included in the decree and not in the law, as in the case of the NFI. There would also be no selection commission to elect the first supervisory councils and carry out public tenders for the managing company.

The compensation certificates would be issued for free. They would have the relationship of securities to a bearer. They would be issued by the State Treasury, represented by the minister of privatization. It is proposed to entrust actions connected with the MPW certificate emission to a single or several banks. The right to receive a certificate could not be transferred or inherited. The certificates would be issued in the form of a document. Trading in them would be unrestrained.

The certificates would be exchangeable through the National Securities Deposit for the same number of shares in each compensation fund, after they are made available to the public.

It is assumed that the law will come into effect this October.

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UDMR's Tokay Prefers 'Territorial Autonomy'

AU2806163995 Bucharest VOCEA ROMANIEI in Romanian 21 Jun 95 pp 1-2

[Interview with UDMR deputy Gyorgy Tokay by Alexandru Rizea; place and date not given: "State Within the State—Was It Just an Unfortunate Metaphor?"]

[FBIS Translated Excerpt] *Although quite a long time has elapsed since the UDMR [Democratic Union of Hungarians in Romania] congress ended in Cluj-Napoca, its echoes have not faded, which is a sign that the concern caused by the documents adopted on that occasion was not merely a brief flare up in public opinion and among the political forces.* [passage omitted]

[Rizea] At the recent UDMR congress, Mr. Erno Borbely, one of the prominent leaders of the party, launched the phrase "We are a state within the state." How do you interpret this wording?

[Tokay] Immediately after Mr. Erno Borbely used that expression, I corrected him and, in his reply, he declared that he had used it in the metaphoric sense. As a matter of fact, we are already used to Mr. Borbely's rhetoric bravado of this kind. Let me recall, for instance, that it was also he who issued the famous remark that "Kaliningrad lies 1,000 km from Russia and still belongs to Russia, and Alaska lies 1,000 km away from the United States and still belongs to the United States. Why should these not be examples to be followed by the Szeklers as well?" Despite the fact that a few seconds later he himself added that from a practical point of view the Harghita County UDMR branch does not believe that their county is in a similar position to the examples cited, public opinion registered solely his rhetorical question. Fearing that he would be quoted partially again, which could lead to a mistaken interpretation, I took the floor in Cluj to correct Mr. Borbely, because it is my belief that political personalities should be sufficiently responsible to be able correctly to select and ponder every word that they utter.

[Rizea] In the new UDMR program passed in Cluj, the term "national minority" was replaced by the term "community." Would you say that this signals an alteration to the concept or is it rather just a matter of terminology?

[Tokay] Actually the term was not changed at all, as the text clearly states: "the Hungarian minority as a community." As far as the juridical and international legal aspects are concerned, we will continue to be a national minority, while the fact that we also term ourselves as a "national community" comes to show that we are not a gathering of separate individuals, but rather a social entity that is alive and does not translate into the sum total of its elements. Considering that in the program we made a political offer on autonomy, it is quite obvious that such autonomy can only refer to a community of people, rather than to individuals as such. [passage omitted]

[Rizea] How do you think the UDMR will evolve in the near future?

[Tokay] Instead of sketching up approximate forecasts, I would much rather make accurate statements about what will not happen in the future. I am not afraid of any splits within the party, because what follows now is a clarification of the terms that we use, following the idea of compiling a terminology "dictionary," an idea that cropped up during our most recent meeting with representatives of the ruling party. Nor is the course that the autonomy issue will take predictable, as there still have to be discussions between the majority and the minority, because, as I often say, what is meant is not autonomy on ethnic criteria, but rather territorial autonomy. When we get to the negotiating table, we will all try together to build a system that is compatible with the sovereign, unique, and independent Romanian state, which is also included in our documents.

[Rizea] What are the possible political alliances envisaged by the UDMR, considering that your former partners have distanced themselves from your party?

[Tokay] The UDMR will have to be very careful with its political "concubines," because in this respect we have had great disappointments in the past. We expected more understanding from those whose loyal and disciplined allies we used to be, but they turned their back on us in exchange for fleeting and totally unrealistic electoral gains. In view of the coming elections, I believe that the Romanians will vote for people regardless of whether or not they are supported by us, although, on the other hand, the advantage of obtaining 1 million votes from ethnic Hungarians is not negligible, either. Those who take this into account will have nothing to lose.

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Thaler: Vienna Supports 'European Ambitions'

AU2806152095 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 28 Jun 95

[FBIS Translated Text] Foreign Minister Thaler has told STA [Slovene Press Agency] that relations between Slovenia and Austria are good and friendly. Certain future high level meetings will contribute toward further improvement of relations.

The Slovene Foreign Ministry has heard from official Austrian representatives that speculation about special Austrian demands to be made on Slovenia in the process of its moving toward the EU is groundless. On the contrary, Austria will continue to support Slovenia's European ambitions in the future, Thaler said and added that the talks with Italy continue and the State Chamber Commission for International Relations has been informed about this in detail.

Minister Thaler maintains the position that it is better to have the existing disagreement than to sign a bad agreement. He also stressed that he would strive for an agreement that would improve relations between the neighbors.

Fotona Production Plans, Technologies Viewed

95BA0268A Ljubljana GOSPODARSKI VESTNIK in Slovene 18 May 95 p 29

[Article by Metka Hrovat: "There Is No Future in the Defense Industry"]

[FBIS Translated Text] In the technical optics laboratory of the Automation Institute, Slovene experts produced their own laser just four years after the invention of the laser.

The enterprise called Fotona these days already has 30 years of research, development, and production behind it. The enterprise's birth is considered to have been in 1964, when a group of experts established the Technical Optics Laboratory. Until 1994, the enterprise went through several reorganizations and name changes. In 1975, it was known as the Elektrooptika TOZD [Basic Organization of Associated Labor] at the Iskra Telecommunications, Electronics, and Electromechanics Industry in Kranj, in 1981 the Iskra Electrooptics Center DO [work organization], in 1990 Iskra Electrooptics, and last summer it was renamed Fotona, because it actually did not obtain any benefit at all from the Iskra name (just expenses), nor did it have anything in common with that enterprise's business.

The current Fotona is composed of three business units: electrooptics, which manufactures military equipment; lasers, the enterprise's central technology; and optical communications, which was a business unit in the parent enterprise established in 1982.

Defense Industry

The business units' shares in the enterprise are changing with time. In the former Yugoslavia, the production of military equipment constituted 99 percent, so to speak, of the total production, because Fotona was the only Slovene enterprise in that sector. Now that type of production is about 60 percent, and by 1997 the enterprise wants to establish an equal balance between the electrooptics unit and the other two. "We will not reduce the volume of military production because that would mean renouncing the knowledge we have already acquired. Instead, we want to increase the other units' production," said Tomaz Frelih, the enterprise's vice president for marketing.

Fotona, as an enterprise oriented primarily toward the defense industry, also survived several critical and almost fatal periods. The latest of these affected it several years ago, when its important traditional markets were closed and when Yugoslavia collapsed. The collapse of Yugoslavia meant that Fotona lost its main export channel. Because the enterprise handled most sales itself, it knew its business partners. In spite of this, it had to win them over to its side, which was not exactly easy, because it had to win their trust. The fact that this period was not finally fatal for Fotona was due to its own knowledge and its resulting independent, equal, and successful approach in the market.

Lasers

Lasers have remained Fotona's central technology to this very day. Fotona produced its first laser 30 years ago, and it is now one of the few enterprises that can boast of having manufactured more than 11,000 solid lasers in its history. The purpose of the lasers has changed and expanded; now they are no longer used only for military purposes, but they also process various materials, and are being used more and more in medicine. Currently the enterprise's biggest achievement is a laser that is used in dentistry. "The competition was certainly ahead of us in dentistry, but they made a few mistakes, which we at Fotona took advantage of," said Tomaz Frelih.

ISO 9002

The Optical Communications business unit was recently awarded an International Certificate of Quality ISO 9002 in the area of production. Although that unit is primarily oriented toward the domestic market (that is also the case in that industry abroad), acquiring the certificate was necessary for cooperation with foreign part-

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ners. Everywhere in the world, enterprises are focusing on partnership (including Fotona), and in that kind of cooperation there is no longer any time for monitoring quality. That is why the enterprise, with 450 employees, of whom 20 percent are in development and 80 percent are in exports of high technology products, is planning to acquire another ISO 9002 certificate for some other unit this very year. The enterprise already has to produce some programs in accordance with ISO standards, and so the acquisition of the certificate will be a more or less formal confirmation of that quality. In 1996 and 1997, the enterprise will also aim at obtaining an ISO 9001 certificate.

Exports

The biggest customer for Fotona's products (primarily in the area of medicine) is Germany, which is also followed by other EU countries. Fotona's products are also already being sold in Japan and South Korea, and the company also wants to promote itself in the developing markets of Asia and the Far East (but high technology products also require a high level of use, for example in health care, which has not yet been achieved in that part of the world). One should also not neglect the big U.S. market, but the restrictions there, primarily for health care, are still too great. "We are not of any interest to the United States in the defense industry sector, of course, but Russia is of interest to us, primarily our optical communications unit," Tomaz Frelih added.

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Federal

Official: UN To Determine RRF Mandate

LD2806191495 Belgrade TANJUG in English 1704 GMT 28 Jun 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, June 28 (TANJUG)—The Rapid Reaction Force [RRF] will act under UN command and within the mandate recently specified by UN Special Envoy Yasushi Akashi, a UN official said Wednesday. Yuriy Myakotnykh, newly appointed head of the Belgrade-based UN office, said Akashi had voiced positions of both the United Nations as a whole and of the UN Security Council so that all other interpretations of the Rapid Reaction Force mandate would reflect positions of other countries and their officials.

The UN Security Council has approved a further 12,500-strong contigent to set up the Rapid Reaction Force that will be mainly made up of French, British, and Dutch peacekeepers.

Myakotnykh, who is also Akashi's envoy, said German troops, which are to join the Rapid Reaction Force, would provide medical and logistic support, within the UN mandate.

The German parliament is to consider the issue on Friday.

French Envoy Urges Recognition of Bosnia

LD2906102995 Belgrade TANJUG in English 1013 GMT 29 Jun 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, June 29 (TANJUG)—Charge d'affaires of the French Embassy in Belgrade Gabriel Keller has said that France "expects Yugoslavia to use its peacemaking influence" on the Bosnian Serbs, since talks are the only means of resolving the Bosnian crisis.

Keller said in an interview published in the Belgrade daily POLITIKA EKSPRES Thursday that Belgrade's "peacemaking influence, which France has officially welcomed more than once," was reaffirmed recently when Bosnian Serbs released the UN peacekeepers they were holding as prisoners of war.

President Slobodan Milosevic helped secure the release of all the 388 UN peacekeepers taken prisoner after NATO air strikes against Bosnian Serb positions in the area of Pale near Sarajevo in late May.

"It would be too harsh to say that peace in Bosnia depended on Yugoslavia," Keller said and underscored that the solution to the conflict "is in the hands of the warring sides (Bosnian Serbs, Muslims and Croats)."

Paris expects Yugoslavia "to resume talks with U.S. envoy Robert Frasure and EU negotiator Carl Bildt along the line of recognizing Bosnia-Herzegovina, which should result in a significant easing of the sanctions against Yugoslavia," Keller told POLITIKA EKSPRES.

The French diplomat said France would reestablish diplomatic relations at the ambassadorial level with Yugoslavia after "the mutual recognition of the republics of the former Yugoslavia, which would resolve the issue of your country's (Federal Republic of Yugoslavia's) continuity, and after Yugoslavia's reintegration into the UN."

Jovic Views Bosnia Recognition, Republic Ties

AU2806133895 Belgrade INTERVJU in Serbo-Croatian 23 Jun 95 pp 6-10

[Interview with Borisav Jovic, former president of the Federal Republic of Yugoslavia, by Milan Nikolic; place and date not given: "Bosnia-Herzegovina Should Be Recognized"]

[FBIS Translated Excerpt] [Nikolic] The U.S. negotiator Robert Frasure was in Belgrade several times with the mission of persuading President Milosevic to recognize Bosnia-Herzegovina and Croatia. The Yugoslav and the international press were reporting that the agreement was forthcoming. Do you support the recognition of Bosnia-Herzegovina and Croatia?

[Jovic] The talks between Milosevic and Frasure refer to a whole series of issues in settling the crisis, rather than to just one, isolated issue, such as the recognition of the former Yugoslav republics. To isolate just one issue and persistently promulgate it suits the purpose of the internal political needs of just one side in the negotiations. It would be the equivalent, say, of our constant promulgation of the news that the lifting of the sanctions against the FRY [Federal Republic of Yugoslavia] is being negotiated. Both reports are true, but they are incomplete, because the negotiations are being held not only on those two issues, but also on many other things in seeking a settlement for the crisis in former Bosnia-Herzegovina.

From the aforementioned one can draw an answer to your direct question of whether I personally support the recognition of Bosnia-Herzegovina (Croatia is out of the game). Of course I do, if that presupposes a satisfactory political settlement of the Serbian question in former Bosnia-Herzegovina, and the lifting of the sanctions against the FRY, which means that it would not be Alija's [Izetbegovic] Bosnia-Herzegovina, but rather a

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union of Bosnia-Herzegovina composed of two equal parts (the Muslim-Croatian and the Serbian), with equal state rights and a right to confederation with the mother countries (Croatia and the FRY respectively).

[Nikolic] But, until now, neither the United States, nor the EU, nor the Contact Group have given any confirmation that they agree to the possibility of a confederation between the Serb Republic [RS] and Yugoslavia, nor have they mentioned the lifting of the sanctions, but rather the suspension, and not of all of them. Do you think then that Yugoslavia can and should agree to the recognition exclusively if it receives written guarantees regarding the possibility of confederation between the RS and FRY, and of lifting, rather than a suspension, of the sanctions?

[Jovic] Our stance is that the RS must have a right to confederation with the FRY, just as the Muslim-Croatian Federation has the right of confederacy with Croatia. Otherwise the Serbian people would not be treated equally. That is undisputable with our partners in the negotiations. We also start from the point that our country has fulfilled all the conditions anticipated by the relevant resolution of the UN Security Council regarding the lifting of the sanctions. Suspension is not the same thing as lifting. Our partners in the negotiations consider that the sanctions can be lifted only when the Serbian side in former Bosnia-Herzegovina accepts the Contact Group plan, and when it is really implemented on the basis of a final political solution. The talks have not been finished precisely because of the existing differences, but we are discussing here the approach that we advocate.

[Nikolic] Since the very outset of the crisis and secession Yugoslavia has constantly insisted that no recognition of the secessionist former Yugoslav republics will come about without a previous political agreement between the nations at war. If now Yugoslavia recognizes the secession of those republics without that previous political settlement, are you aware of all the international legal consequences of such a decision, of which the most difficult would be the full negation of our attitude that the cause of Yugoslavia's collapse was secession, and that we are not responsible for the war and war destruction?

[Jovic] The Milosevic-Frasure talks serve to find a political settlement and agreement between the warring factions in former Bosnia-Herzegovina. It would be senseless to make an agreement that would not lead to a final political settlement, or that would even make it more difficult to find one.

A possibility that is even more remote is to introduce an argument by any sort of agreement, in particular by one that would not lead to an overall solution, proving that the secession of certain former Yugoslav republics was not the cause of the former Yugoslavia's disintegration, or that we are to blame for the war and war destruction. These are simply theories for which there are no grounds, nor can there be any.

[Nikolic] Still, it seems to me that you have not responded to the question of whether that means that an agreement on the recognition of Bosnia is possible, and that only thereafter will political settlements be sought among the three peoples regarding questions of the union, the constitution, and so forth.

[Jovic] The recognition of Bosnia on our part is possible to the extent to which we have authority and power. We do not have any territorial aspirations, and we accept the plan of the Contact Group as the basis for further negotiations, which means two states within the union of Bosnia-Herzegovina—the Muslim-Croatian state and the Serbian state, with equal rights in the union and a right to form confederations with their respective mother countries. This means the division of the territory 51 to 49 percent, provided that an exchange of territories is negotiated. Everything else is a matter of relations between the warring factions in Bosnia-Herzegovina, whereas we demand for such recognition that the sanctions be lifted.

Which actually means that we are supposed to precisely define our views of Bosnia-Herzegovina, and it is those that have already been stated many times so far, while in return we demand something to which we have a legitimate right—that the sanctions be lifted, because there is no justification for any delay in that respect.

I do not see this as an obstacle for the Serbian people in Bosnia-Herzegovina to accomplish an equal position in further negotiations about its national rights. On the contrary, I believe that both the lifting of the sanctions and our precise definition of views regarding the future of Bosnia-Herzegovina would benefit them.

After the War Nobody Will Pay Attention to the Borders

[Nikolic] State borders have international value not when that state is recognized by many countries in the world, but rather when those international borders are recognized by neighboring countries. This is the reason why Bosnia and Croatia want Yugoslavia to recognize them, while not even Slovenia has recognized the border with Croatia. If Yugoslavia recognizes the borders of Bosnia-Herzegovina as international, will it not renounce thereby the most important thing it has been interceding for ever since the beginning of the Yugoslav crisis, and that is the right of the Serbian

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people to self-determination, which all the peoples of former Yugoslavia have accomplished so far save the Serbs?

[Jovic] The real borders of Bosnia-Herzegovina are in it, because of the interethnic conflicts and unresolved political issues among the peoples living there. Therefore the stability of Bosnia-Herzegovina depends on the resolution of that question, rather than on whether or not its neighbors recognize it, unless they have some territorial aspirations toward it. Yugoslavia, as is known, does not have any territorial aspirations toward any country's territory, including the territory of former Bosnia-Herzegovina.

Since there are no problems with territorial aspirations, disputed issues amount to the definition of an acceptable political settlement for the Serbian people in Bosnia-Herzegovina and to the lifting of the sanctions against the FRY, which is actually being negotiated.

Yugoslavia, as is known, has accepted the Contact Group plan as the basis for a political solution. This means it has nothing to do with the recognition of Alija's [Izetbegovic] unitary Bosnia-Herzegovina, but is rather about the union of two equal entities (the Croatian-Muslim and the Serb) with a right to confederation with their respective mother countries. The acceptance of such a plan and such a Bosnia-Herzegovina alone deserves suspension of the sanctions. Further search for an acceptable political solution for the Serbian people in Bosnia-Herzegovina (of course, one that is acceptable for the other two peoples as well) presupposes an advance with regard to the previous state, that leads toward the final political settlement and final lifting of the sanctions against the FRY. This, I believe, cannot be disputed as an interest of our country and our people, and gives no grounds for suspicion.

[Nikolic] Does that mean that the recognition of Bosnia-Herzegovina in its internationally recognized borders is possible before the Serbian people accomplish their right to self-determination?

[Jovic] What we are proposing in order to get the sanctions lifted helps the Serbian people in Bosnia-Herzegovina as well.

[Nikolic] After Maslenica, western Slavonia, Grahovo, and Mt. Velebit, the events in Croatia clearly show that the Vance plan is dead, because that plan projects a political settlement and agreement between the Croats and the Serbs. The total exodus and departure of the Serbs from western Slavonia, which is almost completely ethnically cleansed, is a clear political indicator that the Croats do not want the Serbs in Croatia, nor do the Serbs want to live in Croatia. What are you proposing now as a solution for the Serbo-Croatian conflict between Knin and Zagreb?

[Jovic] The Vance plan is not dead. It was on the basis of this plan that the agreements on the cease-fire and on economic issues were signed, and the plan on negotiations about a lasting political solution was prepared.

The cease-fire agreement has been violated, but that does not mean that it would be intelligent to consider it dead. It is intelligent to struggle, with the help of the international community, for the observance of the agreement. The same applies to economic agreements.

The only way, in our opinion at least, toward success for the Serbian people in Krajina is to continue the negotiations until a final political settlement is reached. This attitude is supported by the international community as well. We condemn any incident or violation of the agreement, regardless of who did it, but we disagree that incidents should be a reason for giving up the search for a final solution through negotiations and in a peaceful way.

The Croats Are Just Looking For a Pretext To Start a War and Disrupt Negotiations

[Jovic continues] That is precisely what suits the Croatian side, which can hardly wait for the option of disrupting the negotiations to win among the Serbs, which would justify Croatian incidents and aggression.

Which is to say, the Serbian side must not pronounce the Vance plan dead, but should rather insist on it. I guess that it means something to it that the international community supports the option of peace, rather than the option of war and aggression.

It is a big political mistake and self-deception of those in the Republic of Serb Krajina [RSK] to think that there is only one solution, i.e., that the Yugoslav Army should stand on their borders and defend them. Without a political settlement there is no settlement. [passage omitted]

Krajina Ought To Take Care of the Mother Country as Well

[Nikolic] There are rumors that eastern Slavonia is about to secede from Knin. Does that mean that Knin is being written off and left to its own devices?

[Jovic] I do not know anything about that.

[Nikolic] If eastern Slavonia secedes, which is a sort of Serbo-Croatian separatism, that would be the fourth Serbian state in the region. Many people see a way out for those states in unification, so that the unification of

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the RS and the RSK has started in that direction. What is your attitude in that regard?

[Jovic] That is your assumption, which we cannot take seriously. The unification of the Serbian states has been the tendency and goal of all Serbs over many centuries. There is no doubt about that. The question is whether it can be accomplished by such unification that spites the international community, or by an act that the international community approve. I do not believe that today the goal of unification could be accomplished without finding a political settlement through negotiations and peaceful methods, by which the form and degree of unification would be defined under the auspices of the United Nations. Everything else is bringing us away from the goal and into conflict both with our neighbors and the international community, and is claiming victims without yielding any lasting results. In that context I view the unification of RS and RSK as a threat that can disrupt negotiations on finding a political settlement.

[Nikolic] As far as I see, the entire international community, and in the first place those who make decisions, is against the Serbs. NATO is bombarding the Serbs, the Rapid Reaction Force is getting ready, the Muslims and the Croats are jointly attacking the corridor, the Livno plain, Mt. Velebit, and Kupres. Will not the Serbs defend themselves more easily if they are united, rather than disunited? What is the point of listening to and taking into consideration the opinion of the international community regarding unification if the Serbs are defeated?

[Jovic] The Serbs may be defeated if they unite, as well as if they do not unite, only if they decide to support confrontation, rather than cooperation, with the international community.

I am afraid that the unification is designed to encourage confrontation. It is of no use to us to warn each other that everybody is against the Serbs. That is well known and undisputed. The problem is that the leadership of the Serbs in Bosnia-Herzegovina pays little attention to this fact, which is one we cannot considerably change, at least within a short time.

Why Border on the Drina?

[Nikolic] The most difficult breach among the Serbs is undoubtedly the one between Pale and Belgrade. What, in your opinion, is the main cause of the breach, if we exclude the classical definition that we are for peace, while they are for war, even though it is they who are getting killed, rather than we in Serbia. Is that a personal conflict? Ideological or any other?

[Jovic] The first reason is a fact for which the Serbian people is not to blame, because it was forced upon the Serbs by historic circumstances, and it is that they are not living in one state. If we were to live in one state, we would have just one administration and one decision. With more states the decisionmaking and methods of harmonization of views are much more difficult, and as a rule it results in breaches and disunion. This could be overcome only on the basis of the consciousness, the determination, and the ability of the leadership to agree upon what is primary and what is secondary, or what of all important things is most important. Unfortunately, in this specific conflict between Belgrade and Pale this has not been the case. That is a huge damage inflicted on the entire Serbian people.

I am no supporter of labeling, but I hold the view that in such historically critical moments unity ought to be accomplished around the mother state, and not against it, because, without the mother state, the interests of other parts of the people cannot be accomplished. Therefore I think that the decision of the leadership of the Serb Republic to disregard the attitudes and interests of the mother country is a historical mistake, no matter whether the mother country itself could possibly have made a mistake in its taking certain stances. That is a fundamental political question, particularly when decisions and attitudes have a great impact not only on its parts, but also on the mother country as well, which has been the case this time.

That some people are for war while others are for peace is a consequence of political decisions. Nobody formally states his attitude, nor thinks in such a way, but it is hard to deny the final effect to which all that amounts.

I do not believe that it is all about a personal conflict or ideological reasons. It is about inability to harmonize views, or to understand the interest of the Serbian people as a whole, and what is a real possibility for accomplishing that interest.

[Nikolic] We rightfully say that the international sanctions against Yugoslavia are genocidal, unjust, and inhuman, while for the sanctions against the Serbs in Bosnia we say they are justified, which is a unique case that one people impose sanctions against its other part. Do you think that the embargo on the Drina is weakening the defense capacity of the Bosnian Serbs and can drive them into defeat, and what do you think in general about the sanctions on the Drina now, after everything that has happened?

[Jovic] The sanctions on the Drina were obtained by extortion. Just recall that the UN Security Council adopted a decision that even more rigorous sanctions would be imposed on the Serbian people, that is, the

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FRY and the RS, if they refused to accept the Contact Group plan as the basis for further peace negotiations about the final political settlement. [passage omitted]

Control on the Drina will be abolished as soon as the leadership of the RS accepts the proposals of the international community as the basis for further negotiations on a political settlement. That depends on them, rather than on us.

[Nikolic] You say that the embargo on the Drina, which you refer to as control rather than sanctions, will be abolished when the RS accepts the Contact Group plan as the basis for negotiations. As is known, the RS did not disagree that the plan should be the basis for negotiations, but it rejected the Contact Group plan as the basis of negotiations for understandable reasons, because if the negotiations fail, then the Serbian acceptance of the plan will remain. Is it not logical to negotiate on the basis of that plan when an agreement is achieved, and only then to accept it?

[Jovic] It may be logical, as you reflect, and it can also be logical that the plan is accepted as the basis for negotiations because negotiations are desired. The matter is not of a verbal nature, it has to do with the essence. The essence is that the mother country considers that the Contact Group plan should be accepted as the basis for negotiations, as is proposed by the Contact Group as well, and that such a solution is in general more beneficial for the Serbian people than further confrontation. There will be little point quibbling over what is logical and what is not logical. One has to start from the basis of what is possible, and what is less hazardous for the final outcome. [passage omitted]

[Nikolic] You say that we are still concerned about the fate of the Serbs across the Drina, but what is the use of that if that concern is almost nonexistent in the mass media, so the bombardment of Pale and the exodus of Serbs from western Slavonia have hardly been mentioned in prime-time news, or on front pages of newspapers. Clinton has announced nationwide mourning for the victims of the Oklahoma City bombing, while in our country nothing like that has been done, even though it is known that thousands of Serbs in western Slavonia have been brutally killed or run over by tanks. Is this the way we express our concern about the Serbs across the Drina, and why are we not using such facts more to bring up accusations against Croatia before the international community?

[Jovic] The FRY has lodged official, severe protests with the international community regarding the Croatian aggression in western Slavonia. As for reports by TV or other media, it is true that there were omissions, but that is not official policy, but rather occasional editorial mistakes that were corrected right away. One should not make a greater problem out of the issue than it actually was. [passage omitted]

[Nikolic] The conflict between the Socialist Party of Serbia [SPS] and the radicals is reaching its climax. Why did the conflict break out with the radicals, erstwhile allies, and not with other parties? Do you consider the arrests of radicals to be productive and a democratic method, and are you not causing more harm by such conduct, because history teaches us that Milan's and Aleksandar's [Serbian kings] arrests of radicals had not resulted in their extermination, but rather in their strengthening?

[Jovic] We are not in conflict with the radicals, for it is they who are in conflict with the law. They have themselves decided to act unlawfully in the political struggle, and they have to take the consequences for that. The people do not approve of their behavior, and I do not think that they will win over voters because of this. [passage omitted]

[Nikolic] Is there any truth in the theory that the SPS has succeeded in pacifying Draskovic [opposition leader] and turned him into its best opposition partner?

[Jovic] Recently Draskovic has taken the course of parliamentary political struggle. He has abandoned the street as a place for settling political problems. We welcome and appreciate that, but we cannot claim that we from the SPS have pacified him. That would be pretentious and not objective. In any case, the Serbian Revival Movement [SPO] today is a correct and constructive opposition to our government. [passage omitted]

President Milosevic Knows What He Is Doing

[Nikolic] The opposition often reproaches President Milosevic for rendering accounts to nobody, neither to the people nor to the parliament, for decisions that are most important and crucial for the destiny of the people and the country, and for communicating more with the international community through Lord Owen and Stoltenberg, and with the American people through CNN, than with his own people. Why does President Milosevic not address the nation more often, and how do you assess the policy he pursues with the international community?

[Jovic] Our citizens like their president and would like to hear more from him. Pity the poor president whom people do not want to hear more from! President Milosevic negotiates with those who are designated and authorized for this by the international community. It is not he who chooses his partners in the talks; they

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are chosen by those who are in authority. I disagree that he renders accounts to no one, as you put it, about the most important and crucial decisions for the destiny of our people. His entire negotiating effort so far and all the basic attitudes have been supported by both the parliament and the majority of our citizens, and no fateful decision has been made in disregard of the constitutional authority of the state organs. [passage omitted]

President Milosevic Always Answers My Phone Calls

[Nikolic] What do you think of Milosevic the politician? How would you describe him? How extensive is your cooperation with him and does he consult you and ask for your opinion?

[Jovic] I think he is a very capable politician. Undoubtedly, he has confirmed that by his political work so far. We certainly cooperate on issues on which I am working. As you probably know, both in the party and in the Federal Assembly, I am in charge of international relations, and those are the issues on which President Milosevic spends most of his time. Such are the circumstances. I often tell him my opinions and suggestions even with regard to other issues, which I consider important to keep in mind. I have never been in the situation that the president has refused to receive me when I wanted to see him, or that he refused to talk to me when I called him, unless of course he was at a meeting that he could not interrupt, but even so, he would always call me back. As a matter of fact, he often calls me himself, whenever he considers it necessary. [passage omitted]

Serbia

Djindjic Warns About German Mission in Bosnia

AU2906095495 Cologne Deutschlandfunk Network in German 0610 GMT 29 Jun 95

[Telephone interview with Democratic Party Chairman Zoran Djindjic in Belgrade by Hero Buss in Cologne—live]

[FBIS Translated Text] [Buss] Good morning, Mr. Djindjic. You have just heard our correspondent say in the previous report that the Serbian side does not understand the dimensions and background of the potential German UN mission in Bosnia-Herzegovina. Do you share that view?

[Djindjic] Yes. There are two questions: Should Germany participate in any UN missions? And second, should such a mission first take place in Yugoslavia? I would reply yes to the first question; Germany should contribute its share. But this first operation should not take place in Yugoslavia, because this would be very symbolic and that could do a lot of harm and decrease Germany's preparedness to participate in future peace processes. Practical military help is less important at the moment than the debate on whether a precedent should be set in a state where a mass extermination took place under German protection and that is in the middle of a civil war right now.

[Buss] Let us not talk about Pale, about the Bosnian Serbs, but about Belgrade, about the Republic of Serbia. Our correspondent talked about conjuring up ghosts. Is that what is actually taking place in Serbia?

[Djindjic] Not so much at the moment, but it will be if there are complications in Bosnia, if the German troops get involved in the conflicts. If the mission is carried out under the current definition, this will be forgotten very quickly. But if there are complications, which is likely, the debate will flare up, and an enemy image will be revived. The public demands simple images, and the image of the nasty Germans would be very obvious then. People would say history was repeating itself, they are coming back after 50 years. And you cannot predict how this will develop, whether it will become an important issue or not. But the danger is there.

[Buss] How strong do you think the memory of the Germans and their atrocities during World War II is among the people in Serbia? How much of this is real and how much is war propaganda?

[Djindjic] It is difficult to say. History is very much alive here. Whether it is artificial or real is difficult to tell. But people here think more about history than about everyday problems. That could be artificial and controlled by the governments. But the fact is that 50 percent of what you read in papers and magazines is history, which is portrayed as the present.

[Buss] To what extent is the Federal Government in Bonn considered politically responsible for the war in the former Yugoslavia? Do you think it is true that the early recognition of Slovenia, Croatia, and Bosnia added fuel to the fire?

[Djindjic] Yes, that did not contribute anything to a peaceful solution. German diplomacy only played a role in the first phase of the crisis, namely with regard to recognition. That has also been criticized in Paris and London. After that, German diplomacy was not very active, which may be a disadvantage. All states have had their initiatives. Paris, London, Washington, and Moscow kept making proposals. These may have failed, but they are remembered. German diplomacy only came forward with one initiative, early recognition. After that there was nothing. If there had been another initiative,

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people would see things differently. German diplomacy is only remembered in connection with this first phase of the crisis, when the war began, and people now link the beginning of the war with the German initiative. This is probably not correct, but people in Serbia have perceived it that way.

[Buss] Mr. Djindjic, even more pacifist deputies in the German Bundestag have given up their resistance to German participation in UN missions because of the war policy of the Bosnian Serbs. Has this come across in Belgrade?

[Djindjic] No, we are not watching what goes on in the German parliament. We have a media blockade. Most people here cannot read foreign papers. This issue is not discussed, and it is not seen from the military point of view, nor from the point of view of the concrete events. It is only seen in the great historic framework. People say the same soldiers who also supported one side in a bloody civil war 50 years ago, in the same uniforms, want to come here again. That is what people think. All specific arguments are considered less important.

[Buss] Bosnian Serb leader Radovan Karadzic meanwhile is regarded as a war criminal in almost all political camps of the Western democracies. Do you agree with that?

[Djindjic] No, this is being simplified and the personal role of the warlords is overestimated. They are trying to mobilize their people and are threatened within their own ranks. And they are trying to conduct their policies without paying attention to the image they have in the West, just to get support from their own people, the military. Reducing the conflict to personal crimes or individual decisions means misunderstanding it very much.

[Buss] You know Karadzic quite well personally and you go to the Serbian headquarters at Pale regularly. What do you think of him?

[Djindjic] He is trying to stay on top in a very complicated situation, in a time of isolation. I think that any personal guilt of each individual concerned should be examined very thoroughly and all war criminals should be sentenced. But the situation is not that simple. Karadzic is, and this may sound strange to you, a moderate politician personally. He is acting in a particular situation to stand his ground vis-a-vis Milosevic, the West, the radicals in his own camp. And he represents a rather moderate political course.

[Buss] Can you explain to me what makes you say that Karadzic is a rather moderate politician?

[Djindjic] There are a number of much more radical warlords among the Serbian military. And, of course, there are also more moderate ones. He could not have stood his ground, if he had supported only one side. That means he is following a moderate course. The problem is that no realistic political solution has been offered to Bosnia so far. There have only been partial solutions. The realistic politicians among the Serbs in Bosnia have not been given an opportunity to participate in a peace process that offers a specific plan about what this state should look like in the future. Instead, continuing the war is regarded as the simplest solution. That means that the number of those who think that the war must go on is very high on both sides. Neither side can see a plan that is acceptable to the majority. Against that background everyone has the same view in that war, the leaders more so than the common soldiers. But if you asked the soldiers, they would also say that the only thing left to do is to go on fighting.

[Buss] Let us come back to the decision that will be made in the German Bundestag tomorrow and the argument that, in view of German crimes committed during the Nazi regime, war criminals must be stopped. That is an argument by rather leftist groups. Is that plausible for you?

[Djindjic] It would be in other situations. If we are talking about Somalia, I would say that is the very argument: If you have done something in the past you have to remedy it. But if you do something for the first time in a place where you have done something wrong in the past, then there are risks involved. I am not saying things will develop that way and the mission will be problematic, but it could be. And the risk involved is too great.

[Buss] Would the damage be greater than the benefit?

[Djindjic] Yes, the damage could be greater. That would be a shame, because it could lead to isolation in Germany. If German soldiers are killed, which is not totally unlikely, unless the conflict is defused, there might be a debate in Germany that is quite different from the present one. That would be a shame, because it would decrease Germany's preparedness to participate in other such missions in the world.

[Buss] Mr. Djindjic, thank you for the interview.

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Percevic Applauds Talks With Kosovar Albanians

AU2806153095 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 28 Jun 95

[Statement by SPS Deputy Chairman Goran Percevic in Belgrade on 28 June—recorded]

[FBIS Translated Text] Our openness to dialogue, to solving problems through peaceful means, our interest in solving all possible problems concerning the rights of the ethnic minorities is a consistent part of the policy of the Socialist Party of Serbia [SPS].

I would first stress that it was important that the representatives of the political parties of the Albanian ethnic minority came to Belgrade, participated in the roundtable that was held under the name of Democracy and Ethnic Minorities, and participated in the work of the roundtable. It was also important that they stressed their readiness to have problems solved through peaceful means, that is, through talks and dialogue.

I also think that it was important that the representatives of international forums that were also present, such as the representatives of the European Parliament, the International Conference on the Former Yugoslavia, and so on, clearly stated that no one with any sense in the international community was disputing the integrity of the state of Yugoslavia and the state of Serbia. So I think that this roundtable in a way marked the beginning of this dialogue, and I believe and hope that this dialogue will continue.

What I insisted on was that the issue of the rights of the ethnic minorities of the Albanians should be solved on the basis of three principles: the principle of legality, which means respect for the Constitution; the principle of democracy, which means that members of the Albanian ethnic minority should participate in the elections and find a place for themselves in the institutions of this country; and the principle of legality, since after such elections we would know who the real representatives are of the Albanian ethnic minority, that is, who the legitimate representatives are.

Stanisic Said To Become Deputy Prime Minister

AU2806122395 Belgrade TELEGRAF in Serbo-Croatian 28 Jun 95 p 3

[Unattributed report: "The Latest News"]

[FBIS Translated Text] TELEGRAF has learned from reliable sources that Jovica Stanisic, chief of the State Security of the Republic of Serbia, better known as President Milosevic's mediator in the operation of liberation of hostages in the Serb Republic, will soon be appointed Serbian deputy prime minister.

Border Guards: Pirates Operating Along Danube

AU2906115995 Bucharest ROMANIA LIBERA in Romanian 23 Jun 95 p 9

[Article by Ion Medoia: "Fuel Smugglers Shot Dead: Serbian Border Guards Blame Bosnian Paramilitary Forces for Piracy on the Danube"]

[FBIS Translated Text] In the Danube River straits area, the unprecedented increase in the number of victims of the embargo imposed on Yugoslavia has become a serious reason for concern, not just for the families of the people who have disappeared, but also for the Romanian and Serbian border guards. So much the more as not all the victims die by drowning, but also by being shot dead! Such criminal acts are categorically denied by both sides, which means that a third paramilitary force could be acting in that area, which very likely belongs either to the Bosnian Serbs or the Serbs in Krajina! Being directly interested in obtaining as much fuel as possible for their army, they could the ones who, under the protection of darkness by night, take action on the Serbian shore of the Danube River, robbing the smugglers of the fuel they ship there. Those who offer resistance are shot and thrown into the water! The Serbian border guards, who launched this hypothesis, also claim that in the area adjacent to the locality of Golubat, on the Danube River shore, where these "pirates" have been active, they discovered quite large constructions intended to store fuel, of which the local population had no knowledge at all.

Krusik Initiates Production of New Weapons

AU2806131495 Podgorica POBJEDA in Serbo-Croatian 23 Jun 95 p 7

[Article by V. Bozovic: "Stronger Than Sanctions"]

[FBIS Translated Text] The Krusik factory from Kraljevo, one of the most important manufacturers of arms and military equipment in the Federal Republic of Yugoslavia, is an example of how new, top quality goods can very successfully be produced under the sanctions and blockade. The firm employs about 8,000 workers and has about 20 joint-stock subsidiaries. It produces weapons for all branches of the Army of Yugoslavia, ranging from antiaircraft and aircraft missiles and aircraft bombs used by the Air Force and Air Defense, mortars, mines for minelayers (in which they have 50 years of experience), artillery shells for interdiction and destruction, to weapons for antisaboteur actions and naval mine-clearing.

Krusik has recently adopted new production programs, which was the reason for our visit to this successful company. The company has just been issued three patent

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certificates for inventing three types of instant-action impact fuses. These were developed by a group of experts led by Colonel Vladimir Vucetic and Engineer Predrag Ristovski, who is a civilian.

"New fuses should replace the ones that used to be produced in the former Yugoslavia, in the republics that have seceded," Vucetic says. They have a number of advantages in comparison with the old ones. Two of them have a clock device that ensures safety up to 70 meters after the low-velocity bombs leave the muzzle of the barrel. Recently we submitted four patents for mortar ammunition and plan to submit another three by the end of this year.

The factory has produced trial series of the new 120-mm bomb, the wrapping of which matches the best in the world.

Col. Vucetic stresses that 60-mm and 82-mm bombs are also being tested. The new 82-mm mortar has a longer barrel, a meter and half, with ribbed-shaped slots for cooling, a base that does not sink, and a fully protected mechanism for turning the barrel. It is lighter, it weighs only 40 kg, and is easier to transport than earlier guns. The 82-mm bombs are being developed simultaneously.

The 60-mm mortar also has a number of new features. The barrel is longer, 1,200 mm, and it weighs only 23 kg.

Launchers for the 84-mm hand-portable rocket launcher used to be produced in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] in the former Yugoslavia. Production has now been mastered in one of Krusik's subsidiaries, Plastika from Osecina. These launchers are intended for the popular Zolja launcher. The production of the container and launchers for the 90-mm hand-portable rocket launcher, called Osa, and the antiarmor 120-mm launcher is expected to commence soon.

Engineer Ristovski says that Krusik is paying considerable attention to improving production. Investments are considerable. These mainly come from within the firm and, thanks to the well-run team of experts, they are paying good dividends.

Kosovo

Serbian Speaker Calls For End to Fighting

LD2806223995 Belgrade TANJUG in English 1908 GMT 28 Jun 95

[FBIS Transcribed Text] Pristina, Yugoslavia, June 28 (TANJUG)—Serbian Parliament Speaker Dragan Tomic invited on Wednesday the Bosnian and Krajina Serbs to show wisdom and put an end through talks to further fighting and suffering, securing a just peace and prosperity.

Tomic was speaking in Obilic at Pristina, capital of Serbia's southern province of Kosovo and Metohija, at the central ceremony marking the 606th anniversary of the battle of Kosovo that had been fought between the Serb and the Turkish army.

Tomic said the Serb people knew how to value peace, because throughout the centuries they had been forced to defend their freedom.

He said the majority of the Serbian citizens shared the view that Serbia's priorities were peace, cooperation on an equal footing, equality of all people regardless of their national, religious, political or racial differences, strengthening of a democratic society and social security.

Tomic said the situation in Kosovo and Metohija had changed beyond comparison since Serbia reasserted its state and constitutional authority in March 1989.

Time has shown that the path towards improving relations in the province are not divisions and confrontations, but the respect of Serbia's sovereignty, giving up the policy of secessionism and the respect of human and civil rights, he said.

Tomic said a dialogue on these terms was possible with all who wanted to seek for better solutions to the issue of Kosovo and Metohija, and said national isolation did most harm to ethnic Albanians.

A strong ethnic Albanian separatist movement has been in operation in Kosovo and Metohija since 1981. The movement's goal is to detach the province from Serbia and Yugoslavia and to attach it to neighbouring Albania.

Ethnic Albanians are granted all rights in Yugoslavia that are provided for by international documents, ranging from the right to education in their mother tongue to the right to participation in the country's political life.

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